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Daily Report
Central Eurasia

FBIS-SOV-95-020 *31 January 1995*

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ITAR-TASS Carries Press Review for 31 Jan

LD3101070395 Moscow ITAR-TASS in English 0643 GMT 31 Jan 95

["Press Review"—ITAR-TASS headline]

[FBIS Transcribed Text] Moscow January 31—ROSSIISKAYA GAZETA carries a message from the servicemen of the joint group of troops in the Chechen Republic to Russia's president, the prime minister, the speakers of the Federation Council and the State Duma, the minister of defence, and the chief of the General Staff.

In the message, headlined "by insulting the army, one insults the people", the servicemen urge "an end to the discreditation of the commanding personnel of the Russian armed forces, all commanders and chiefs who discharge their military duty". "Never before had the military in Russia been subjected to such humiliating criticisms," the message emphasises.

The servicemen believe that "the time has come firmly to support the servicemen at the state level, at Federal Assembly meetings and in the media".

The message said "the servicemen have no doubt about the correctness of actions to ensure Russia's territorial integrity and uphold the freedom and rights of all citizens who reside on the territory of Chechnya which is part of the Russian Federation".

RABOCHAYA TRIBUNA carries an interview with Sergei Stepashin, chief of the Federal Counterintelligence Service of the Russian Federation, published in the latest issue of the German DER SPIEGEL magazine.

"Dudayev's hirelings—Afghans, Balts and Ukrainians—get from 800 to 1,000 U.S. dollars every day," the FCS chief said in the interview.

Stepashin believes that "if Russia had available more funds, it also could have sent mature men and experienced soldiers to Chechnya instead of the 18-year-old boys". Stepashin stated that "only eight per cent of the Chechen population, as well as mercenaries, have taken up arms and are fighting against Russian troops. Therefore I do not believe in guerrilla warfare, including that on the part of Chechens from mountainous areas".

IZVESTIYA, KOMSOMOLSKAYA PRAVDA, KRASNAYA ZVEZDA (red star) and a number of other newspapers run reports from Chechnya by their special correspondents who give their eyewitness accounts of what they saw and experienced in the conflict zone.

TRUD carries an interview with Vladimir Lukin, chairman of the State Duma Committee on International Affairs who analyses the international aspects of the Chechen crisis.

Lukin believes that "it is primarily NATO and those eastern European countries which seek to join NATO that will avail themselves of Russia's bogging down in Chechnya". He described as "regrettable" the slowdown in the ratification of the agreement on Russia's cooperation with the European Union in view of the events in Chechnya.

IZVESTIYA runs an article by its correspondent who analyses recent media reports about the possibility of introducing a fixed foreign exchange rate in the Russian Federation.

"The Central Bank does not intend to fix the foreign exchange rate. Neither does it perceive anything dangerous for citizens even if this is done," the correspondent writes, adding that a Central Bank spokesman told him that "although the fixed rate idea is being ventilated, it does not go beyond a mere discussion".

The Central Bank expresses concern that "a good deal of speculations may arise in connection with the subject", the correspondent points out.

KOMSOMOLSKAYA PRAVDA carries an article headlined "The Rouble Rate Fluctuates Together With the Reform Line" with a subtitle "The Monetary Reform Rumours Did Have grounds...".

PRAVDA runs the full text of a programme of the Communist Party of the Russian Federation, which was adopted by the Communist Party on January 22.

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Moscow Objects to U.S. Mediation Offer Over Ukrainian Debt

LD3001173595 Moscow INTERFAX in English 1619 GMT 30 Jan 95

[FBIS Transcribed Text] MOSCOW, Jan 30 (Petroleum Information Agency)—Moscow believes that the attempts of the U.S. to assume mediation as far as payment of the Ukrainian debt for Russian energy supplies is concerned are "unreasonable and out of place."

Russia proceeds from the belief that the issue of the Ukrainian debt belongs to the sphere of bilateral relations, a source close to the Russian leaders told the Petroleum Information Agency commenting on the message sent to the Russian leaders by U.S. ambassador to Russia Thomas Pickering in early December 1994.

The same source said Washington "directly proposed" in the message that it should be a mediator stressing that Ukrainian President Leonid Kuchma allegeably supported the idea.

The same source said the U.S. must be told that Moscow was fulfilling its obligations to Kiev properly while Kiev was failing to do the same.

The same source said Russia was ready to continue working on the plan for Ukraine using Western credits for paying its debt to Russia. He stressed, however, that the West was yet providing a limited support for the Ukrainian reforms.

Ukraine annually extracts about 4 million tonnes of oil and less than 20 billion cubic meters of natural gas. Ukraine accounts for 10 percent of oil and 20 percent of gas it consumes. It has to import the rest from Russia and Turkmenistan.

In early January 1995 Ukraine and Turkmenistan signed a contract for Turkmenistan delivering 11 billion cubic meters of natural gas to Ukraine in 1995 and Ukraine paying its debt for the Turkmen gas received in 1994. The Ukrainian debt for Turkmen gas stands at $176.7 million without taking into consideration fines.

Decrease in U.S. Contribution to UN Peacekeeping Condemned

LD3001222795 Moscow Voice of Russia World Service in English 1810 GMT 30 Jan 95

[Commentary by Vladislav Kozyakov—announcer read]

[FBIS Transcribed Excerpt] The U.S. Congress is debating a legislative draft of an act on a possible substantial reduction in America's contributions to the UN budget to finance peacekeeping operations. Vladislav Kozyakov comments:

The authors of the legislative draft, who are members of Congress from the Republican Party, believe that the U.S. no longer needs UN peacekeeping missions in different parts of the world. This is the only interpretation that can be given to the draft now standing in the Congress, which seeks to reduce America's contributions to such UN missions virtually to zero and also to restrict U.S. participation in such operations. According to the Republican senators and congressmen, it's better to spend such funds not on UN peacekeeping missions, but on the enhancement of fighting readiness of U.S. Armed Forces.

Such an approach amounts to a virtual sharp alteration in America's external policy. This could mean a refusal to support UN objectives written in the charter of the world organization, one of whose originators is the United States. Virtually, the implementation of the Republican congressmen draft could mean the withdrawal of UN forces from former Yugoslavia; from the Golan Heights, where they have formed a buffer between the Syrians and the Israelis; from the Iraqi-Kuwaiti border; from Cyprus, Lebanon, Georgia, Tajikistan, and from a number of other regions.

The authors of the draft legislative act in Congress are citing the need to reduce U.S. expenses. However, UN peacekeeping operations are paid for, if on a smaller scale, by many other states through (?their adherence) to UN budget. These other nations also find it difficult to bear the financial burden. [passage omitted]

Of course there are many shortcomings in this aspect of UN activities. One can hardly disagree with the Republican congressmen here. However, to perfect UN activities there is the negotiating mechanism by which decisions acceptable to all members of the UN, in financial, as well as in other aspects, can be achieved.

U.S. Offers Aid for Safeguarding Uranium, Plutonium

MM3001144795 Moscow KOMSOMOLSKAYA PRAVDA in Russian 28 Jan 95 p 3

[Report by Sergey Ivanov: "Uranium in Greenback Cage"]

[FBIS Translated Text] New York—The fact that Russia has been provided with voluntary assistance by the United States to the tune of $20 million became known the day that the Fourth Session of the Preparatory Committee of the Nuclear Nonproliferation Conference began its work. The Pentagon thinks that the money should be used to ensure the safekeeping of weapons-grade uranium and plutonium. Technically it has been advised to use this money to fit super-sensitive sensors and other equipment needed for the protection of the particularly important installations storing the raw materials for Russia's nuclear weapons.

In all, the U.S. Defense Department has already given the former USSR's three nuclear powers around $900 million for similar antinuclear purposes.

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U.S. Accused of 'Foul Play' Over ABM Treaty

MM3101102795 Moscow KRASNAYA ZVEZDA in Russian 31 Jan 95 p 3

[Article by military observer Manki Ponomarev: "Maneuvers Verging on Foul Play: Attempts To Undermine the ABM Treaty Being Made in the United States"]

[FBIS Translated Text] The 1972 Treaty Between the United States and the USSR on the Limitation of Antiballistic Missile Systems (the ABM Treaty) remains even today a most important factor for stabilizing the situation in the world and for ensuring international security. Even though the United States for one reason or another has made numerous attempts to interpret the spirit and letter of this document in its own way and even to refuse to observe its fundamental requirements entirely, sensible forces in Washington ultimately managed to head off the attacks on the treaty. First and foremost undoubtedly because our country has constantly and firmly argued that the treaty is inviolable and that its principled provisions are immutable.

Life does not stand still of course. New circumstances emerge which must be studied carefully, requiring certain additions to be made to the treaty. In this connection a fairly intensive negotiation process is taking place within the framework of the special Standing Consultative Commission which meets at regular intervals in Geneva. The next session is scheduled for March.

Here is a circumstance that has emerged this time. The opponents of the ABM Treaty have come to life in the United States—for the umpteenth time! Last week, for example, 22 senators headed by Robert Dole, leader of the Republican majority in the upper house of Congress, urged President Bill Clinton to break off the consultations in Geneva. Their appeal was based on the argument that such consultations "threaten to undermine the efforts" of the Pentagon to create the modern theater ABM system known by its abbreviation TAAD [Theater High Altitude Area Defense].

The senators' appeal came soon after Christine Shelley, an official U.S. Department of State spokesperson, had acknowledged that the United States intends to conduct tests within the framework of the program for creating a prototype of a new mobile interceptor missile. It is planned that this missile, which is designed to intercept and destroy operational-tactical and tactical missiles, will undergo 14 flight tests within two years.

In a report on the forthcoming tests, THE WASHINGTON POST noted that the U.S. Administration has decided to begin these tests even though the talks at the Standing Consultative Commission on coordinating the TAAD system with the 1972 ABM Treaty are still not complete. According to the newspaper report, the "directive to begin these tests was issued by President Bill Clinton" after he "accepted the Pentagon's weighty arguments" that these tests will not "breach the ABM Treaty." Furthermore, according to THE WASHINGTON POST's information, when the President issued this directive he was guided by the view that the new system's flight tests will not contravene any agreement with Russia in the arms control sphere because this is merely a question of "demonstration" launches and the study of the effectiveness of individual components, not the entire system as a whole. However, there will be no tests of the system as a whole when it is "capable of processing data from space sensors."

Perhaps we could accept the U.S. argument that the beginning of tests on a nonstrategic ABM defense system or, in other words, a theater ABM defense system is still not evidence of a U.S. refusal to observe the ABM Treaty. The latter says nothing about "nonstrategic" ABM defense, that is, defense against tactical and operational-tactical missiles. At the same time the treaty clearly does not allow missiles, launchers, and radar which are not antimissile missiles, antimissile missile launchers, and ABM radars respectively to be given the ability to combat strategic ICBM's or their components in their flight path or to test them for ABM purposes.

However, there is no detailed explanation of these provisions in the text of the Treaty. The Standing Consultative Commission is working to plug these "gaps" right now. As Russian Defense Ministry experts told this author, the commission's task is to elaborate a set of precise parameters which preclude the possibility of creating a nonstrategic ABM defense system of this kind which would be able to destroy not only operational-tactical but also strategic ballistic missiles. With no distinction between nonstrategic and strategic ABM systems a situation could emerge which would circumvent the 1972 Treaty and the world could face the threat of a new round in the nuclear missile arms race.

In America, too, realistic circles understand that well. As an example let me cite a NEW YORK TIMES editorial which had the remarkable headline "The Wrong Defense, the Wrong Enemy." This article contains a well-argued critique of those people in the United States who call from time to time not only for the creation of a theater ABM defense system but also for a complete return to the idea of deploying an extensive ABM system for defense against strategic missiles, which is banned by the ABM Treaty. "The United States can test and deploy an ABM defense system, for example, improved Patriot anti-air systems, to counter missiles like the Scud," the newspaper remarks. "However, what the Pentagon wants in its desire to counter ICBM's, which none of America's potential enemies will be able to create for at least a decade, is to test a defense system similar to TAAD."

"The Russians quite rightly are skeptical of all this," THE NEW YORK TIMES concludes. And in that regard it is quite right. One might even put it more forcefully. Because, contrary to the spirit of Russian-U.S. partnership relations, the United States is embarking on the

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practical development of a nonstrategic ABM system without waiting for the Standing Consultative Commission to come up with accords. In preparing to test the main components of a mobile ABM system designed to intercept and destroy operational-tactical and tactical missiles, the Pentagon is verging on foul play, to use a sports metaphor. But that is not all. It is doing everything possible to draw other countries, first and foremost Japan, into the orbit of its activity at the edge of what is permitted by the ABM treaty and perhaps even going beyond the permissible.

Last fall Washington offered Tokyo the role of equal partner in the implementation of the project to create a theater ABM system. Japan was offered participation in all stages of the creation of this system—in developing the technologies, producing and deploying components, and even monitoring the operation of the "missile shield."

It has been reported in the foreign press that these proposals envisaged not only enhancing the combat potential of Patriot interceptor missile systems by replacing them with the very latest PAC-3 systems but also the eventual adoption of the high-altitude extended theater ABM system with space-based components. Furthermore, four versions of the deployment of four or five such systems on the Japanese islands were put forward simultaneously.

As far as is known, Tokyo has not yet accepted the U.S. proposals in full. Nevertheless, a joint expert group is already being set up to study the merits and flaws of the U.S. TAAD system which, it is believed, could destroy missiles at an altitude of up to 150 km. The Americans calculate that on this basis they will be able to gain access to the latest Japanese technologies while the Japanese will reap major dividends from Pentagon orders.

There are other facts which provide irrefutable evidence of the maneuvers by U.S. opponents of the ABM treaty aimed at circumventing it. But it is not the list of them that matters. One thing is clear: The Russian side's stance must remain unambiguous: This treaty must unquestionably be preserved and strictly observed. And the necessary additions can be elaborated through joint efforts within the framework of the Standing Consultative Commission and formulated in the corresponding agreements.

Governors Visiting U.S. Uphold Use of Force in Chechnya

LD3101082995 Moscow ITAR-TASS in English 0753 GMT 3 Jan 95

[By ITAR-TASS correspondents Andrey Loshchilin and Vitaliy Chukseyev]

[FBIS Transcribed Text] Washington January 31 TASS—The use of force in Chechnya was justified and was aimed at upholding the constitution of the Russian Federation, visiting Russian governors told journalists at the National Press Club here on Monday. A delegation of Russian governors is currently in the United States at the invitation of the U.S. national conference of state governors.

"The situation in Chechnya pose a threat to the territorial integrity of Russia. We regret that legality in Chechnya has to be restored by means of force. The situation in that republic has been aggravating for long. About 200,000 people fled the republic long before the start of military actions," Krasnoyarsk territory Governor Valeriy Zubov emphasised.

"The talks with Dzhokhar Dudayev and his entourage were launched long ago, after October 1993, but did not yield practical results. In the meantime, the regime in Groznyy was busy raising its own army," Leningrad regional governor Aleksandr Belyakov pointed out.

"The Chechen Republic turned into a criminogenic area, a refuge for criminals, a drug-trafficking and gun-smuggling market," stated Yevgeniy Kuznetsov, administration chief of Stavropol territory which neighbours on Chechnya.

"It is noteworthy that the Mineralnye Vody airport became the focus of hostage dramas. Four cases of the seizure of civilians, including children, happened there over the past 18 months. And each time the criminals demanded a helicopter for them to take refuge in Chechnya. A fourth attempt at freeing hostages ended tragically—four hostages were killed," Kuznetsov said.

"If a similar situation arose in the United States, I am sure the federal government would have acted by the same methods," Kuznetsov emphasised.

U.S. Government, Investment Discussed

LD3101093795 Moscow ITAR-TASS in English 0855 GMT 31 Jan 95

[By ITAR-TASS correspondents Andrey Loshchilin and Vitaliy Chukseyev]

[FBIS Transcribed Text] Washington January 31 TASS—"The purpose of our visit is to get acquainted with the U.S. federal structure in greater detail," Samara region administration chief Konstantin Titov told a press conference at the national press club here on Monday.

A delegation of Russian governors is currently in the U.S. At the invitation of the U.S. National Conference of Governors. They attended the organisation's annual convention which is drawing to a close here.

"We have learned a lot of interesting things about interaction between state authorities, the congress and the federal government. Upon returning to Russia we shall prepare a letter with estimates of American experience in this respect. This will also be the subject of our planned meeting with President Boris Yeltsin," Titov said.

"Relations between the administrative-territorial units and federal government, between legislative power in Russian and the U.S. do not differ in principle," Krasnoyarsk territory Governor Valeriy Zubov pointed out, for his part.

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"But we were greatly impressed by the form in which this 'tug-of- war' takes place in the United States. The Americans have approached closer to upholding ideas, and not struggling against personalities. I remember a phrase which I heard here from a senator who said that his purpose is to secure that there are effective laws in this country and a strong executive branch of power respecting them. I hope to live long enough to hear members of the Krasnoyarsk territory legislature to say that they want to see a strong governor," Zubov said.

The russian guests expressed satisfaction with the results of their talks in the Department of Commerce and the State Department.

Over there, according to Aleksandr Belyakov, governor of Leningrad region, the Russian governors focussed mainly on ways to raise the effectiveness of U.S. support for defence industry conversion to civilian production, the development of medium-size and small businesses and the training of specialists.

"We have received a very large amount of information. We are certain to draw on it. The two sides have agreed on further joint moves," Belyakov pointed out.

In response to a question, Zubov told ITAR-TASS that "no specific deals were discussed" during the talks in the Commerce and State Departments.

"We were mainly interested in principles on which the U.S. bases the government policy of promoting the development of entrepreneurship in Russia and, in particular, how priority regions are selected for such cooperation," Zubov said.

"The American side showed interest primarily in the reform process in the regions which we represent. On the strength of the information which we have set out, American government actions can apparently be adjusted," Zubov pointed out.

"I greatly respect the United States and like American businessmen for their liveliness, go-aheadeness and humour but, to my great regret, they did not yet win a single tender in Samara region, usually conceding to the Hungarians, Germans and Japanese," Titov remarked.

"It seems to me that U.S. businessmen now must ponder in earnest over competition on the Russian market. Conditions for foreign capital investments in the region are most favourable: I issued a resolution cancelling all local taxes on joint ventures in the production sphere. This accounts for approximately 50 per cent of the total amount of taxes. All territories which want to attract foreign investments are acting similarly," Titov said.

OSCE Delegates 'Understand' Russia's Chechen Problems

MM3101102595 Moscow IZVESTIYA in Russian 31 Jan 95 p 2

[Report by Boris Vinogradov: "After Chechnya OSCE Delegation 'Sympathizes' With Russia"]

[FBIS Translated Text] The Organization for Security and Cooperation in Europe [OSCE] delegation headed by Istvan Gyarmati, a representative of the acting chairman of the organization, has returned to Moscow following a two-day trip to Chechnya.

The delegation members thanked the Russian authorities for the chance to "see the conflict with our own eyes" and to get "firsthand" information.

Gyarmati immediately pointed out that his group should not be seen as a mission of observers or intermediaries in the Chechnya conflict, and his report will take the form of "information and recommendations" for the OSCE Permanent Council in Vienna. All seven delegation members confirmed the usefulness of these contacts between Russia and the OSCE, delicately expressed their sympathy for and understanding of our problems, and advocated the preservation of the Russian state's territorial unity, rejecting "separatist trends."

The Hungarian diplomat stated that he had spoken to townspeople in Groznyy and had discovered for himself that there is no ethnic antagonism between them. Istvan Gyarmati is convinced that there are political forces in Chechnya capable of solving the problems peacefully, and he named two opposition leaders—Umar Avturkhanov and Salambek Khadzhiyev.

The OSCE envoys also cast doubt on Dzhokhar Dudayev's claims that thousands of concentration camps where Chechen prisoners are held had been set up on Chechen territory. They visited once such center near Groznyy, and did not encounter any particular complaints about "inhumane treatment" from the Caucasian prisoners. In the camp the delegation found a 14-year-old sniper who had been captured during a battle. Gyarmati reminded Russian Justice Minister Valentin Kovalev that holding such young citizens in a camp contravenes the International Convention on Prisoners, and, by ministerial order, the boy was released and sent home.

OSCE Team: Chechnya Needs 'Massive Quantities' of Aid

AU3001132995 Paris AFP in English 1249 GMT 30 Jan 95

[By Graham Brown]

[FBIS Transcribed Text] Moscow, Jan 30 (AFP)—A delegation from the Organisation for Security and Cooperation in Europe just back from war-torn Chechnya called here Monday for a "cease-fire" in the breakaway Russian republic because of the "humanitarian catastrophe" there.

The call was made by the OSCE delegation's leader, Hungarian diplomat Istvan Gyarmati, after the team returned Sunday from a three-day trip to Chechnya and surrounding areas to look into breaches of human rights there.

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"A humanitarian cease-fire is necessary to help all those people who are still hiding in Groznyy's cellars," Gyarmati told a press conference, referring to the devastated Chechen capital.

The five-person delegation called on the international community to send massive quantities" of aid to Chechnya, where Russian troops have been fighting secessionist rebels since December 11.

Audrey Glover, the OSCE's director for democratic institutions and human rights, said: "There must be a massive influx of international humanitarian aid."

Gyarmati quoted Russian General Ivan Babichev as saying there were still 150,000 civilians in the centre of Groznyy, where the fighting has been fiercest.

The delegation also visited about 50 Chechen prisoners being held by the Russians in two heated train carriages—between five and nine in each compartment—near the Russian military base of Mozdok in North Ossetia.

Rene Nyberg, Finland's ambassador to the OSCE, said: "Most of them had visibly been beaten and needed medical attention." Glover added: "They all had black eyes."

She said several of the prisoners claimed to have had nothing to do with the fighting. One was a boy aged 14. Russian Justice Minister Valentin Kovalyov, who accompanied the delegation, at once ordered him freed, Glover said.

Until now, the Russian authorities have barred access to the prisoners, who they consider as "detainees" who have no rights under Geneva conventions governing the treatment of prisoners of war.

The International Committee of the Red Cross has tried without success to see the prisoners, and the OSCE delegation was unable to negotiate future Red Cross access.

But Glover praised the Russian authorities for their "very positive" attitude in arranging access for the OSCE team.

Gyarmati said that human rights had been "gravely violated" by the disproportionate and indiscriminate use of military force on the Russian side during the Chechnya conflict.

But he acknowledged the Russian Federation's need to keep itself together and to restore constitutional order in Chechnya. He called for eventual free elections, involving all representatives of the Chechen people.

The OSCE mission was organised by the Russian Government, and escorted by Russians. It included a trip to Groznyy.

Glover said: "I've never seen anything like it except in pictures of the bombings of Dresden after the (Second World) War. Rows and rows of houses were bombed."

Gyarmati said the delegation had not been able to meet representatives of rebel Chechen President Dzhokhar Dudayev, who is leading the fight against the Russian forces.

Nor was it able to go to the neighbouring Russian republic of Ingushetia, historically close to the Chechen cause, whose president, Ruslan Auchev, has pleaded unsuccessfully with the Kremlin to negotiate with Dudayev.

But Gyarmati said the mission was just a "first step" and that he would recommend more trips by OSCE experts.

The delegation also included French diplomat Regis de Belenet and Hungarian diplomat Zoltan Nagy.

OSCE Envoy Says Human Rights 'Grossly Violated' in Chechnya

LD3001161995 Moscow INTERFAX in English 1426 GMT 30 Jan 95

[From the "Diplomatic Panorama" feature: report by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] Moscow, Jan 30 (INTERFAX)—The personal envoy of acting OSCE [Organization on Security and Cooperation in Europe] Chairman Istvan Gyamarti believes that human rights were grossly violated both before and during the conflict in Chechnya. He spoke at a Monday news conference at the Hungarian Embassy in Moscow.

As an example he named the bomb attacks on Groznyy. "The use of armed force on such a scale and in such forms is at odds with OSCE principles," the Hungarian diplomat just back from the conflict zone stressed.

According to the envoy, in Chechnya, OSCE representatives received all necessary support from the federal authorities. However, he regretted the fact that Human Rights Commissioner Sergey Kovalev was not permitted to the Chkalovsky military airport near Moscow from which the OSCE delegation flew to Chechnya. "We protested. But what could be done? We could not undermine our mission because of that," Gyamarti stressed.

He voiced hope that when the Interior Ministry is placed in charge of the operation in Chechnya as President Boris Yeltsin promised, this will lead to positive changes in the tactics of the federal forces.

In the opinion of the envoy a humanitarian cease-fire should be concluded speedily in Chechnya to aid the wounded and the 150,000 civilians still living in Grozny.

In his opinion "the federal authorities should conduct talks on a cease-fire in Chechnya with those who are in command there now and on an overall peaceful settlement of the conflict with all representatives of the Chechen people."

The diplomat also favored speedy elections to the Chechen parliament. "Only a legitimate parliament can negotiate

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with the federal leadership on the degree of autonomy that should be given to the Chechen republic," he said.

According to the diplomat, "it is very difficult but possible to create conditions for truly free and democratic elections in Chechnya this year."

Urges Early Elections in Chechnya

LD3001121395 Moscow ITAR-TASS in English 1148 GMT 30 Jan 95

[By ITAR-TASS correspondents Yuriy Kozlov, Andrey Serov]

[FBIS Transcribed Text] Moscow January 30 TASS—It is necessary to begin a political negotiating process on the establishment of armistice, the restoration of constitutional order and democratic institutions of power in Chechnya as soon as possible, Istvan Gyarmati, Hungary's ambassador to the Organisation on Security and Cooperation in Europe (OSCE), said at a press conference here today. A delegation of OSCE observers, led by him, returned to Moscow from the zone of the Chechen conflict on Sunday night.

Gyarmati believes that free and general elections in Chechnya can and should be held this year, if all conditions, needed for it, are created. "This process should not be dragged out, because a legitimate parliament of the Chechen people is the only one that will be able to hold talks with Russian authorities about the forms of autonomy," he stressed.

According to the OSCE representative, international observers managed to restore a "rather complete picture" of the human rights situation in Chechnya. In his opinion, those rights were violated both before the beginning of the operation for the restoration of constitutional order and during its implementation. Conclusions and recommendations of the delegation will be submitted to the OSCE Permanent Council for the purpose of continuing cooperation with Russia in the sphere of human rights. Gyarmati believes that the practice of sending OSCE observers to the conflict zone should be continued.

He described the use of military force in Chechnya as inadequate. According to Gyarmati, the scope and forms of military actions go beyond the limits of general European norms, which envisage the use of force in similar situtions.

OSCE Official Urges End to Combat Operations in Chechnya

LD3001132795 Moscow ITAR-TASS in English 1258 GMT 30 Jan 95

[By ITAR-TASS correspondent Lyudmila Yermakova]

[FBIS Transcribed Text] Moscow January 30 TASS—"The immediate termination of combat operations without preliminary conditions" should be the fist step in the settlement of the Chechen problem, Vice Chairman of the Organisation on Security and Cooperation in Europe (OSCE) Willy Wimmer said today at a meeting with Chairman of the Federation Council Vladimir Shumeyko.

In his interview with journalists Wimmer said that he regarded an opportunity to visit Chechnya, granted by russia to an OSCE delegation, as "an act of trust". In his opinion a report of the delegation, which has just returned from the Caucasus, will become a basis for an analysis and proposals to be made by the European circles in connection with the Chechen situation. The OSCE vice chairman regards the strenuous programme of his visit to Russia as confirmation of "collegial cooperation."

Speaking about the developments in Chechnya, Shumeyko pointed out that the reliance on armed opposition, led by Avturkhanov, proved to be a wrong step, which only resulted in the tragic developments of last November. He said that the main task today was to restore the constitutional order on the territory of Chechnya. This task was assigned to the Interior Ministry. The restoration of economy and normal life should be completed before the end of this year. Now it is necessary to hold elections. In the opinion of Shumeyko, this is important because "it will knock the bottom out of any guerrilla movement." Shumeyko confirmed that the prosecutor-general's office was preparing documents on a legal assessment of the activities of Dudayev. Now the emphasis is being laid on political ways of settling the problem, he stressed.

Council of Europe: Russian Action in Chechnya 'Inadequate'

LD3001203595 Moscow ITAR-TASS in English 2014 GMT 30 Jan 95

[By ITAR-TASS correspondent Mikhail Kalmykov]

[FBIS Transcribed Text] Strasbourg January 30 TASS—The Council of Europe is concerned about the situation in Chechnya, the inadequate actions on the part of the Russian authorities and grave human rights violations in that republic, Vladimir Lukin, head of the Russian delegation to a session of the Council of Europe's parliamentary assembly currently underway in Strasbourg, said.

Speaking about the prospects for Russia's admission to the Council of Europe, Lukin told ITAR-TASS on Monday that only a handful of Europarliament members call for stripping Russia of its special invitee status and terminating the admission procedure.

However, the majority of delegates are against terminating Russia's admission and only want to postpone it in order to have enough time to study the situation more thoroughly. Some parliamentarians expressed their willingness to travel to Chechnya to study the situation on the ground and gather information.

"We are ready to give them such an opportunity so that European parliamentarians could base their assessments of the situation on facts, not on emotions," Lukin said.

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The upcoming discussion of the Chechen issue at the session scheduled for Thursday will reveal the position of its participants, Lukin said. He did not rule out the possibility that conservative- minded deputies such as Russian ultranationalist Vladimir Zhirinovskiy will try to obstruct Russia's admission. He noted that some British Scandinavian and Baltic delegates are also among those who do not to see Russia in the Council of Europe.

Lukin admitted that there is no unanimity on the issue in the Russian delegation either. However, the majority of its members, except the leader of the Liberal-Democratic Party faction, agrees that the process of Russia's admission should be completed.

They argue that the Chechen crisis has helped reveal strong democratic trends in the Russian parliament, among the Russian population and in the press. As an example, he cited deputies' resistance to the government's actions in Chechnya.

Lukin stressed that the leadership of the Council of Europe is in a "constructive" frame of mind with regard to Russia's admission. The delegation has brought to Strasbourg "20 answers to 20 different questions concerning the implementation of the Council of Europe's recommendations by Russia. This document was signed by four top leaders of the Russian Federation—(President) Boris Yeltsin, (Prime-Minister) Viktor Chernomyrdin, (Federation Council Chairman) Vladimir Shumeyko and (State Duma Chairman) Ivan Rybkin. We have been told that these answers will be studied, but without haste," Lukin said.

Diplomat: Attack on Sanaa Embassy Not Linked To Chechnya

LD3001155195 Moscow INTERFAX in English 1426 GMT 30 Jan 95

[From the "Diplomatic Panorama" feature: report by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] Moscow, Jan 30 (INTERFAX)—Moscow does not consider the recent attack on the Russian embassy in Sanaa to be an echo of the Chechen events, a high-ranking Russian diplomat told Interfax on Monday. "For the moment there is no evidence pointing to any linkage between the incident and the Chechen conflict," he said.

On January 22, two self-made explosive devices were thrown onto the territory of the Russian embassy in Sanaa. "One of them exploded blowing out windows in the embassy building. No one was injured," said the diplomat.

"In this connection a note was passed to the authorities who promised to investigate the incident," he went on to say.

He pointed out that the Russian embassy in Yemen was the first target of such an attack. He said, however, that the situation should not be overly dramatized and that no political motives should be sought in the incident.

"It must have been a trivial act of hooliganism. If it had been a planned action, the consequences would have been much more serious," he added.

He said that "none of the extremist groupings has claimed the responsibility for the terrorist act."

Iranian Reaction to U.S. Oil 'Interference' Reported

LD3001145695 Moscow ITAR-TASS in English 1419 GMT 30 Jan 95

[By ITAR-TASS correspondents Sevindzh Abdullayeva and Viktor Shulman]

[FBIS Transcribed Text] Baku January 30 TASS—Iran has condemned the United States' reaction to its participation in an international oil consortium and described it as an interference in its internal affairs.

An Iranian Embassy spokesman in Baku said on Monday that his country will continue talks with Azerbaijan under the November 12, 1994 memorandum which grants Iran a share in the contract.

The spokesman also said that nothing could prevent Iran and Azerbaijan from developing political, economic, cultural, and religious relations with each other.

The announcement followed the U.S. Embassy's statement on Sunday that the U.S. Government, not American companies participating in the international oil consortium, is against Iran's involvement in the project to develop oil deposits in the Caspian Sea.

At the same time, the statement said that there is no law in the United States that could prohibit American companies from participating in the contract. However, under the U.S. legislation, they will not be able to provide financial assistance.

The statement stressed that the U.S. Administration is seeking to make Teheran change its policy, including stop supporting terrorism. It pointed out that the measure is necessary for otherwise Iran can garner political or economic assistance through the consortium.

Iran's five per cent share in the deal was granted to it by Azerbaijan last year. The U.S. Embassy warned that this can endanger the financing of the project by international organisations, including the World Bank.

Iranian Oil Minister Gholam Reza Aqazadeh is expected to arrive in Azerbaijan today to continue the talks with its oil company on cooperation started last year.

Kovalev Warns West Against New 'Iron Curtain' Approach

LD3001200295 Moscow ITAR-TASS in English 1933 GMT 30 Jan 95

[By ITAR-TASS correspondent Mikhail Kalmykov]

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[FBIS Transcribed Text] Strasbourg January 30 TASS—Russia has a long way to go to meet European human rights standards, but this should not be a reason for building a new "iron curtain" around it, Russian Human Rights Commissioner Sergey Kovalev said.

Kovalev believes that it will take a whole generation to build a truly civil and law governed society in Russia. However, history has left Russian people no time. It would be strange if the West opted for putting Russia in isolation, for this would only strengthen Russian isolationists, he said.

Speaking at a news conference in Strasbourg on Monday, Kovalev, who is attending a session of the Council of Europe's parliamentary assembly, pointed out that the problems facing Russia are of international importance. The world community will not be able to build a fair and secure world without helping Russia solve these problems.

He urged the West to abandon the over-formalised and standardised appoach and to understand that Russia is unable to eliminate the lag in human rights on its own. It needs friendly support and at the same time continuous encouragement from the world community. This will benefit the whole of Europe and the entire world, he said.

Russia can be a full partner and neighbour only if it restores order in its own home. To do so, it will need assistance and support. From this point of view, Russia's admission to the Council of Europe is very important, Kovalev said.

However, at the moment as blood is being shed in Chechnya it would be not only unrealistic to speak about it, but also immoral, he said.

Kovalev stressed that Russia's admission should be postponed until effective and energetic efforts are taken to find a negotiated settlement to the Chechen conflict. At the same time, he warned against issuing any ultimatums to Russia.

Official on 'Misunderstanding' Over Norwegian Missile

LD3001154495 Moscow INTERFAX in English 1426 GMT 30 Jan 95

[From the "Diplomatic Panorama" feature: report by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] Moscow, Jan 30 (INTERFAX)—Russia's Foreign Ministry in contact with the federal defence and other departments has been studying all details of the incident with a Norwegian missile that fell on the Spitzbergen archipelago on January 25.

"This is misunderstanding, which must not be repeated," Yuriy Fokin, director of the Russian Foreign Ministry's Second European Department declared in an interview with Interfax Monday.

He dismissed as "not corresponding to reality" information from a number of media that the Norwegian side had warned Russia's Foreign Ministry about the forthcoming missile launch, however, the foreign department had failed to tell the Russian military about that. "We did so twice in advance," he said.

He recalled that "in late December, Norwegians sent to all embassies in Oslo a note where they specified the precise coordinates of the possible sites of their missile's splash down." "The Norwegian side reported that it planned to launch three missiles in the period from January 15 to 10. In other words, the Norwegian side gave the period during which launchings will be accomplished rather than precise launch dates," Fokin said.

He specifically noted that "this is a quite normal phenomenon". "In the past, whenever we launched missiles in the Pacific region, we only indicated the period during which a missile will be launched rather than the precise date of launching," Fokin said.

He reported that "the Norwegian note, dated December 27th, reached Russia's Foreign Ministry without delay." On the following day, December 28, according to him, he addressed a message to Valentin Selivanov, chief of the Russian Naval Headquarters.

"As accustomed, the Russian Foreign Ministry sent to the military seamen such information, and they, in line with their procedure dispatched it to other departments concerned, the Defence Ministry included. No problems had arisen, he said. Norway launched missiles before, so, there was nothing new in this."

"On December 30th, the Russian Embassy in Oslo "duplicated" the information contained in the Norwegian note, sending a telegram to the Russian Foreign Ministry." "The Russian Foreign Ministry sent it in copies to the Defence Ministry, the Federal Service of Border Troops, and to Russia's Academy of Sciences", Fokin said.

He also reported that Norwegians had used not only foreign ministry channels. "On January 16, they sent through civil aviation services a notification about the upcoming missile launch to 35 countries, Russia included."

Fokin specifically noted that because of the incident "there can be no claims to the Norwegian side, which has complied with all procedures, usual for such cases."

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Political Issues

Yeltsin, Chernomyrdin Discuss Speech, 'Personnel Issues'

LD3101131095 Moscow ITAR-TASS in English 1257 GMT 31 Jan 95

[FBIS Transcribed Text] Moscow January 31 TASS—Russian President Boris Yeltsin and Prime Minister Viktor Chernomyrdin had a "substantiated discussion" on Tuesday of the presidential address which is to be delivered to the Russian Parliament in mid-February, the press service of the Russian leader said adding that "possible government actions to implement the address were considered".

The president and the prime minister also discussed "the implementation of the initial stage of restoration work on the territory of the Chechen Republic and the formation of territorial bodies of authority" there.

The meeting also focused on the main issues to be raised by the Russian delegation at the upcoming CIS summit in Almaty, the press sevice said, but gave no further details.

Yeltsin and Chernomyrdin also "exchanged opinions on prospects of economic reform in 1995" and "touched upon a number of personnel issues", the press service said.

The discussion of "personnel issues" often results in government reshuffling.

"Russian Regions" Group Pledges Political Neutrality

LD3001135395 Moscow ITAR-TASS in English 1259 GMT 30 Jan 95

[By ITAR-TASS correspondent Lyudmila Yermakova]

[FBIS Transcribed Text] Moscow January 30 TASS—leaders of the fresh association "Russian Regions" are careful to stress their political impartiality. "We have been speaking and we will speak for a highly professional government, for its being a team of high-class experts, and political views of those experts are absolutely unimportant to us," the association's leader Vladimir Medvedev said.

However, with all emphasis on political neutrality, the conference of "Russian Regions" passed resolutions which depict the association as a moderately centrist force similar to the "Civil Union" of the summer of 1993. Like the "Civil Union", the new association proclaims as its priorities commitment to state control of reforms and protection of domestic producers.

The association's resolutions are hard-spoken on Russian powers, although their wording is more civilised compared with communists' and ultranationalists'. The key address of "Russian Regions" speaks of "sluggishness of federal authorities", "inefficient economic policies of the government", "a lack of any clear strategy of reforms" and "a low image of the power".

Whether the new organisation gains political influence remains to be seen. Prerequisites for it are its origins in one of the bulkiest parliament factions—"new regional policy" has 64 seats in the State Duma—and a likely alliance with the union of oil industrialists.

The question is whether the Medvedev-led association will be able to attract regional elites. Anyhow, the proclaimed political neutrality appears too good a show to be true.

Yeltsin Explains Veto of Law Raising Minimum Pension

LD3001201295 Moscow INTERFAX in English 1850 GMT 30 Jan 95

[FBIS Transcribed Text] MOSCOW Jan 30 (Interfax)—President Yeltsin has turned down the federal law "On Raising the Minimum Pension and Rules of Indexing and Recomputing Government Pensions in the Russian Federation".

The law was passed by the lower house of parliament, the State Duma on January 18 and approved by the upper house, the Council of the Federation on January 20.

The presidential press service says that in his message sent to the State Duma Speaker Ivan Rybkin on Monday President Yeltsin said the law had been passed in defiance of the government's warning that in the context of financial constraints raising the minimum old-age pension to 54,100 rubles a month and all other pensions by 57 percent would require an additional 2.14 trillion rubles a month, or 23.6 trillion rubles a year. That would increase the budget deficit of the Pension Fund to 15.2 trillion rubles.

The 1995 draft budget does not provide for such spending.

The abolition of the 19,700-ruble monthly compensation payment to working pensioners would fail to save enough money (1.4 trillion rubles a year), because there is no mechanism to count working pensioners.

"In the current situation it would be expedient to consider not indexing pensions, but raising the monthly compensation payment from 19,700 rubles to 38,000 rubles, while preserving the current minimum old-age pension", President Yeltsin says in his message. This surplus would practically compensate for the rise in the prices of goods and services in the fourth quarter of 1994.

"This is a forced measure and it is aimed at supporting the standard of living of all pensioners on an equal basis. The interests of low-paid pensioners would be taken into account to a greater extent. If the controversial federal

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law is effected, the real surplus to the minimum pension would total 19,660 rubles a month, whereas the maximum pension would grow by 71,000 rubles a month, the message said.

"Bearing the aforesaid in mind I believe it would be feasible to examine in keeping with the established procedure the federal law "On Raising the Minimum Pension and Rules of Indexing and Recomputing Pensions in the Russian Federation" again and make amendments to it proposed by the government", President Yeltsin said.

'Text' of Yeltsin Edict on Compensation for Pensioners

LD3001222495 Moscow ITAR-TASS World Service in Russian 1758 GMT 30 Jan 95

[FBIS Translated Text] Moscow, 30 Jan (ITAR-TASS)—Russian Federation President Boris Yeltsin signed an edict today "On Compensation Payments to Pensioners From 1 February 1995". The text of the document, circulated by the press service of the head of the state, follows:

"In order to guarantee the social protection of pensioners in connection with the increases in prices for goods and services, I decree:

"1. Beginning 1 February 1995 pensioners who receive pensions for old-age, disability, the loss of a breadwinner (for every dependent member of the family), years of service, or social pensions will be paid compensation amounting to 39,360 rubles per month.

"This compensation payment will apply to pensions that are granted in accordance with the RSFSR law "On State Pensions in RSFSR" and with the laws of the Russian Federation "On State Guarantees and Compensation for Individuals Working and Residing in the Regions of the Far North and in Locations Equivalent to Them" and "On Pensions for the Parents of Servicemen Killed While Serving as Conscripts".

"2. Regarding those pensioners who live in districts where district wage indices are set, the compensation payment stipulated by this edict will be increased taking this index into account.

"3. Pensions that are granted and paid after 1 February 1995 will be increased by the amount of the compensation payment set out in point one of the current edict.

"4. The compensation payments, stipulated by the current edict, will be paid from the sources from which the respective pensions are paid.

"5. The Government of the Russian Federation will submit within one week its proposals on the financial resources for raising pensions in 1995.

"[Signed] Russian Federation President B. Yeltsin"

Media Issues

Yeltsin Ratifies Information Agency Statute

MM3001161395 Moscow ROSSIYSKAYA GAZETA in Russian 28 Jan 95 First Edition p 5

[Russian Federation Presidential Edict No. 65, signed by President Yeltsin, dated 24 January 1995, and accompanied by the statute in question: "On the Ratification of the Statute on the Russian Federation Presidential Staff's Information Administration"]

[FBIS Translated Text] 1. The appended Statute on the Russian Federation Presidential Staff's Information Administration shall be ratified.

2. Russian Federation Presidential Edict No. 449 "On the Russian Federation Presidential Staff's Information Support Administration" of 4 March 1994 (SOBRANIYE AKTOV PREZIDENTA I PRAVITELSTVA ROSSIYSKOY FEDERATSII, No. 10, 1994 p. 777), Russian Federation Presidential Edict No. 1680 "On Changes and Additions to the Statute on the Russian Federation Presidential Staff's Information Support Administration" of 11 August 1994 (SOBRANIYE ZAKONODATELSTVA ROSSIYSKOY FEDERATSII, No. 16, 1994, p. 1887), and Russian Federation Presidential Directive No. 388-rp of 20 July 1992 shall be deemed null and void.

[Signed] Russian Federation President B. Yeltsin

[Dated] Moscow, the Kremlin
24 January 1995
No. 65

Statute on the Russian Federation Presidential Staff's Information Administration

1. The Russian Federation Presidential Staff's Information Administration (hereinafter, the Administration) is a structural subunit of the Russian Federation Presidential Staff.

2. The legal basis for the Administration's activity is provided by the Russian Federation Constitution, federal laws, Russian Federation presidential edicts and directives, and this statute.

3. The Administration's activity is carried out in accordance with instructions from the Russian Federation president, the leader of the Russian Federation Presidential Staff, and recommendations from the Russian Federation President's Expert Analysis Council.

4. The Administration's main tasks are:

to provide the mass media with objective and accurate material on the policies of the Russian Federation president and the Russian Federation Government, on highly important socioeconomic and political problems affecting Russian society, and on the measures being taken to resolve them;

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to organize explanatory work aimed at informing the citizens of the Russian Federation and other countries through the mass media of the position of the Russian Federation president on draft laws that have been submitted, issues that are under examination, and decisions that are being made;

to draw up proposals to provide citizens of the Russian Federation and other countries with objective information on the Russian Federation's policies;

to ensure mass media coverage of measures relating to the implementation of the targeted programs elaborated by Russian Federation organs of state power on the most important sociopolitical and socioeconomic problems;

to draw up proposals on improving state policy in the sphere of the mass media.

5. In order to implement the tasks within its purview the Administration:

informs the mass media of the Russian Federation president's statements, speeches, and meetings; organizes press conferences involving the Russian Federation president; holds regular briefings for the mass media; and issues statements for the press;

organizes information support for events involving the Russian Federation president and for his trips around the country and overseas;

organizes the provision to the mass media of material on the activity of the Russian Federation president;

promotes the recruitment of qualified specialists for media features on topical problems of Russian society;

analyzes items in the mass media and draws up proposals to improve the provision to citizens of the Russian Federation and other countries of objective information on Russian Federation policies, and the activity of the Russian Federation president, Russian Federation organs of state power, and Russian Federation component organs of state power;

takes part in the preparation and staging of measures to implement state policy in the sphere of the mass media;

cooperates with Russian Federation organs of state power ensuring the implementation of state policy in the sphere of the mass media;

draws up and submits proposals on improving state policy in the sphere of the mass media for examination by the Russian Federation president.

6. The Administration is entitled:

to request and obtain the material it needs from the leaders of Russian Federation Presidential Staff structural subunits, Russian Federation organs of state power, and Russian Federation component organs of state power;

to hold conferences and meetings with representatives of Russian Federation component organs of state power and full representatives of the Russian Federation president; and to recruit under the established procedure Russian Federation Presidential Staff officials and specialists for mass media features;

to implement targeted and responsive measures in conjunction with the Russian Federal Television and Radio Broadcasting Service and the Russian Federation Committee for the Press;

to take part in the work of the collegial structures of Russian Federation organs of state power and interdepartmental and other organs and organizations implementing state policy in the sphere of the mass media;

to conclude agreements in conjunction with the leader of the Russian Federation Presidential Staff on the preparation of information products and the publication of popular science material on the most important questions of sociopolitical life;

to recruit academics and specialists on a contractual basis in accordance with the plan for expert scientific work ratified by the leader of the Russian Federation Presidential Staff; and to make use under the established procedure of the data bases of the Russian Federation Presidential Staff and Russian Federation organs of state power;

to make use of state, including government, communications systems.

7. The material, technical, information, transportation, and social and consumer backup for the Administration's activity is provided by the corresponding Russian Federation Presidential Staff subunits.

8. The Administration is headed by a chief appointed and dismissed by the Russian Federation president on the basis of a submission from the leader of the Russian Federation Presidential Staff.

9. The head of the Administration has deputies appointed and dismissed, on the basis of a submission from him, by the leader of the Russian Federation Presidential Staff.

10. A Presidential Press Service with the status of department is set up within the Administration.

The activities of the Presidential Press Service in implementing the functions defined by Paragraph 5 Subsections 1 and 2 of this Statute are coordinated by the Russian Federation president's press secretary.

11. The chief of the Administration:

leads the Administration and is personally responsible for the results of its activity;

submits to the leader of the Russian Federation Presidential Staff proposals on the structure and staffing of

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the Administration and on the appointment and dismissal of Administration staffers;

distributes duties between his deputies and determines the functions of the Administration's structural subunits;

signs official documentation on questions of the organization of the Administration's activity;

submits ideas under the established procedure for incentives for Administration staff.

Gromov Interviewed on Army Role in Chechnya

BR3001123795 Rome LA REPUBBLICA in Italian 28 Jan 95 p 15

[Interview with Russian Deputy Defense Minister General Boris Gromov by Fiammetta Cucurnia in Moscow; date not given: "Gromov, the General who Said 'No' to Yeltsin"]

[FBIS Translated Excerpt] Moscow—[passage omitted] "I certainly cannot imagine my life outside the Army," we were told by General Gromov, in the ancient hall of columns, where the corpses of all Communist leaders since Lenin were displayed. With his pale blue eyes, frank gaze, terse and clear replies, and rows of medals on his chest, Boris Gromov was there that morning to convene under his command, after its election, the leadership of all the Afghan veteran groups—a not inconsiderable number of men.

[Cucurnia] General Gromov, the defense minister has announced the dismissal of six or seven senior officers in the next few days. Are you one of them?

[Gromov] It is not me, or a specific number of generals who are said to have not obeyed orders. This, first, because, to be precise, there was no order or "decree" announcing the start of a military operation in Chechnya. Second, it seems to me that any military chief, or general, who receives orders in this specific situation has a duty to ponder and to decide whether or not the order issued meets certain basic rules, certain human principles. If it entails intervening to help a country to deal, God forbid, with a national disaster, that is one thing. But it is a very different kind of "order" in the case of Chechnya. We can all see what is happening there. So may what General Grachev says remain on his conscience.

[Cucurnia] Russia is a great country, and Chechnya a small republic of a few hundred square kilometers. Nobody expected the war to last so long. The Russian Army looks more like a defeated army than the military heir to a great power.

[Gromov] I can assure you, it would be a great mistake to think that way. The real facts of the matter are not that the Russian Army is unable to carry out a military operation but that it was instructed to perform a task that it is not its responsibility to perform. The Army is not its country's policeman. This is not its task, and this is not what it has been trained for. There are the Interior Ministry troops for this purpose. Instead, they took the Army and draftees and threw them in there without anyone bothering to prepare them for it. Since the decision, whether good or bad, was made, it was necessary at least to prepare to implement it. It was precisely this factor that brought the troops to the distressing outcome that we are witnessing. Having said that, in view of the situation, the Armed Forces have behaved even too well.

[Cucurnia] You said that you have recently suffered a number of minor provocations, perhaps as a retaliation against your criticisms.

[Gromov] I expressed my opinion. Such a decision should not have been made without consulting the Defense Ministry's senior military council. There have always been what you call "minor provocations." But of course it has become clear to me since the start of this epic that somebody is trying to isolate me.

[Cucurnia] But you are apparently not alone. A whole large portion of the Army would have to be isolated.

[Gromov] Of course, I do not know to what sidelines it is desired to isolate me. I think it will not be easy for them. And obviously I do not want to isolate myself. I will continue to lead an active life. Right now I cannot say whether or not I will stay in the Armed Forces.

[Cucurnia] But do you think that this dissatisfaction lurking within the Army could ultimately lead to a split in the Armed Forces?

[Gromov] Nothing fails to have some effect. I think the first impact will be on the morale on the officers and the Armed Forces as a whole. Especially in the future. That is, many officers will start to ponder, to question themselves, before carrying out an order. In one way, this is a good thing. But on the other hand the Army is designed precisely to carry out orders unquestioningly. Otherwise, whom does it serve?

[Cucurnia] Do you rule out the possibility that this could cause complications from the political viewpoint too?

[Gromov] The fact is that we are not talking here about just a few generals who are refusing, or who at least disagreed. We are talking about many officers who now have ideas of their own and who pursue them both within and outside the Army. In my opinion, to sum up, the lesson is this: Those who make the decisions, and first and foremost the politicians, must carefully consider how, where, why, and on what bases the Army is used, in order not to create such serious situations of crisis in the country and in the Armed Forces.

Armed Forces Leadership Situation Reviewed

MK3101111095 Moscow KOMMERSANT-DAILY in Russian 31 Jan 95 pp 1, 2

[Report by Ilya Bulavinov: "Kremlin Moves Echo in the Army"—first paragraph is editorial introduction]

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[FBIS Translated Text] The process of drawing practical conclusions with respect to the leadership of the Russian military leadership has been virtually finished. Pavel Grachev's disgraced deputies have been given "responsible posts" but in another ministry. As for Grachev himself, his casually dropped phrase: "I think that the president will support me," has proved to be more than just the general's personal opinion. And still the "Chechen syndrome," which provoked a cadre crisis in the Defense Ministry, will apparently continue, for a long time to come, to affect the actions by both the minister and his potential rivals, who are not abandoning their attempts to occupy the office on Arbatskaya Square. Ilya Bulavinov comments.

As KOMMERSANT-DAILY has learned from sources close to the Russian Ministry of Foreign Affairs, Colonel General Boris Gromov, who has had the experience of working not only in the Defense Ministry but also in the Ministry of Internal Affairs, has been offered a post at the level of deputy foreign policy department chief.

KOMMERSANT-DAILY fact: Boris Gromov, 51, graduated from the Kalinin Suvorov Military School, the Leningrad Army Command School, the Frunze Military Academy, and the General Staff Military Academy (with a gold medal). He twice served in Afghanistan. He was in command of the Kiev Military District and held the post of deputy internal affairs minister. In September 1992 he was appointed deputy defense minister. On 3 October 1993 he refused to arrive at the Defense Ministry to discuss the question of introducing troops into Moscow.

Considering that in the Defense Ministry Gromov was in charge of relations with the CIS countries, it is not ruled out that his new job may be connected with this. He can, for instance, coordinate peacekeeping activity at the level of Foreign Ministries; after all, Russian peacekeeping troops are in Tajikistan, Georgia, and the Dniester region. Such an appointment is all the more probable given that Gromov has considerable experience in working with Foreign Affairs Ministry head Andrey Kozyrev: The general has virtually always accompanied him as a military representative during trips around the Commonwealth.

The Ministry of Foreign Affairs is also waiting for another general: Valeriy Mironov.

KOMMERSANT-DAILY fact: Valeriy Mironov, 51, enrolled in a Suvorov military school at age 12. He graduated from the RSFSR Supreme Soviet Army Command School, the Frunze Military Academy, and the General Staff Military Academy. The division Mironov commanded was among the first to be brought into Afghanistan in December 1979. In 1991-1992 he was in command of the Northwestern Group of Forces (former Baltic Military District). In this post he conducted negotiations with the Baltic states leadership on the withdrawal of Russian troops. In June 1992 he was appointed deputy defense minister of Russia.

Possibly, in considering options for employing Mironov, his experience of interaction with foreign representatives was taken into account. But signs are that he cannot count on a high post in the Ministry of Foreign Affairs. It is not excluded that the solution of Mironov's problem will be traditional: He will be offered to head a mission abroad.

If the generals accept these proposals, their entering politics in the near future is unlikely. Meanwhile, given that both generals have a moderate-conservative reputation, they enjoy some support in the army and know the inner workings not only of the Defense Ministry—they also pose potential danger both for Grachev and the Kremlin.

Another deputy minister—Konstantin Kobets, chief military inspector—has received, in addition, the post of the Defense Ministry's secretary of state [stats-secretar]. This is quite natural: Kobets was a deputy of the RSFSR Supreme Soviet and therefore has connections in the present parliament.

KOMMERSANT-DAILY fact: Konstantin Kobets, 55, graduated from the Kiev Military School of Communications, the Institute of Electrical Engineering, and the Polytechnic Institute, the Military Communications Academy, and the Academy of the General Staff. In 1987-1991 he was chief commander of the signal troops. Chairman of the RSFSR Supreme Soviet's Defense and State Security Committee. From 19 August to 6 September 1991 he was Russia's defense minister. Since 1992, chief military inspector of the Defense Ministry and since 1993 also deputy defense minister.

True, indications are that Kobets' interests are not limited to this. Kobets has always been considered to be the president's representative in the Defense Ministry but lately he has reportedly changed his bearings and moved somewhat closer to Chernomyrdin. Kobets can also count on the post of defense minister.

It is not Kobets alone who would like to occupy it, though. By some accounts, Marshal Yevgeniy Shaposhnikov has been making efforts along these lines. His traditionally good relations with Yeltsin and his connections which have remained since he was secretary of the Security Council allow him to make such plans. Furthermore, according to information in KOMMERSANT-DAILY's possession, the possibility of bringing Army General Vladimir Lobov, former chief of the General Staff, back into the fold is also being considered. A doctor of military sciences and candidate of history, Professor Lobov was among the first to advance the idea of reforming the army. Now his ideas about separating the Defense Ministry from the General Staff, shifting the army to the brigade-corps organizational structure, and making it professional can come in useful.

Replacements in the Defense Ministry also directly depend on the lineup of forces in the Kremlin and the government: In particular, on how far Security Council

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chief Oleg Lobov's claims will go and how his struggle for influence over the power structures will end in this event. So far the likelihood of Yeltsin's dismissing Grachev in the near future is minimal. Be that as it may, the president will be hard put to find another general more loyal to (and more dependent on) him. The incumbent minister has shown more than just once that he is in control in the ministry and is capable of commanding the army. How, is another question, but it is clear that for Yeltsin at present Grachev is a guarantee that the muffled grumbling in the army against the political leadership will not grow into active discontent.

Regional Affairs

Reportage, Commentary on Conflict in Chechnya

'Cash Prize' for Killing Russian Officers, OMON Men

LD3001134795 Moscow Mayak Radio Network in Russian 1300 GMT 30 Jan 95

[FBIS Translated Text] The command of the federal troops in Chechnya reports that in the last 24 hours Russian troops have blocked streets and conducted military actions to rebuff attacks by illegal armed formations. The situation is still very difficult in Nozhay-Yurtovskiy Rayon, where Dudayev's fighters congregate. There are reports that in order to intensify combat operations, Dudayev's supporters have established a cash prize to be given to fighters who have killed Russian officers and OMON [Special Purpose Militia Detachment] servicemen.

Aide Warns of Chaos in Center-Regions Relations

LD3001134095 Moscow ITAR-TASS in English 1313 GMT 30 Jan 95

[By ITAR-TASS correspondent Tamara Zamyatina]

[FBIS Transcribed Text] Moscow January 30 TASS—"While Russian troops fight for the federation's integrity in Chechnya, relations between the centre and Russia's components are landsliding to chaos behind their backs, without any Dudayevs," presidential aide Leonid Smirnyagin said in an interview with ITAR-TASS. Smirnyagin is a regional policy expert at the analytical centre of the Russian president's administration.

"The fashion of trespassing prerogatives of the federal authorities may result in a constitutional federal crisis," Smirnyagin warned. The analyst cited as examples Chuvashia's decree under which Chuvash conscripts are to serve only in Chuvashia and some territorial and regional charters which defy the Russian Constitution. "These steps signal that a new stage of revisiting relations between regions and the federal authority started under the influence of the Chechen crisis," Smirnyagin said.

According to Smirnyagin, the challenging of federal authorities by some regions indicates that Moscow does not attend to regional policies. In particular, the State Duma is too slow in passing a state authority law, Smirnyagin said.

"The Chechen crisis must motivate the Russian powers to effectively insist on superiority of federal laws," the presidential analyst said.

Dudayev Called 'Only Real Force' in Republic

LD3001163295 Moscow INTERFAX in English 1434 GMT 30 Jan 95

[FBIS Transcribed Text] Moscow, Jan 30 (INTERFAX)—Despite Groznyy's mistakes, Dzhokhar Dudayev remains the only real force and representative of the republic, Deputy Chechen Justice Minister Salman Arsanukayev told Interfax on Monday.

He was a member of the unofficial delegation of Chechen elders meeting Russian Prime Minister Viktor Chernomyrdin in Moscow last week.

Arsanukayev who suffered a minor injury on the New Year's Eve though not involved in fighting himself spoke of heavy civilian casualties caused by continued bombardment of parts of Grozny including Minutka residential area.

The deputy minister called for a peaceful solution to the conflict "ruling out any casualties or human rights violations". He is sceptical that further violence in Chechnya may degenerate into sabotage attacks in Russian cities contrary to fears that Dudayev expressed in an interview with Interfax on Saturday. "The Chechens and Russians have lived side by side sharing common history and cultural links for centuries, so I do not think that the present events will lead to the destruction of Russian cities", Arsanukayev said. At the same time, he does not believe that the downfall of Groznyy will mark an end to the fighting which may turn into a guerrilla warfare with subsequent loss of life on both sides and the danger of the entire North Caucasus being dragged into the slaughter.

Arsanukayev denied any concentration of Chechen militants and mercenaries in the highlands saying that the fighting was confined only to Groznyy.

He accused Chechen opposition leaders of sparking off the violence which "would never have happened but for those people who allowed themselves to be provoked" to play an opposition role, something the Chechens will never forgive. However, Arsanukayev admitted that the opposition had its own following but its stronghold in Nadetrechny region "does not represent the whole of Chechnya".

Natural Gas Supply Resumed to Some Homes

LD3001163495 Moscow INTERFAX in English 1434 GMT 30 Jan 95

[FBIS Transcribed Text] Moscow, Jan 30 (INTERFAX)—Russia's Emergency Situations Ministry on

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Monday said natural gas supply had been resumed for homes in the Russian-controlled parts of Chechnya.

Russian and Chechen workers who were repairing the gas network repeatedly came under fire, according to a ministry press release.

With fighting still going on, the gas pipeline may "at any moment" be damaged again, so "the accident team is permanently ready for repair work," the release says.

Gen Vorobyev: Army Badly Prepared for Combat

LD3001181595 Moscow Radiostantsiya Ekho Moskvy in Russian 1600 GMT 30 Jan 95

[FBIS Translated Text] Our army's training did not allow us to carry out active combat actions in Chechnya. Today the Russian troops in Chechnya are like a bull in a china shop. This statement was made in an interview to our radio station by Colonel General Eduard Vorobyev, former deputy commander in chief of the Russian land forces.

[Begin Vorobyev recording] From the standpoint of planning, and, consequently, of executing the operation in Chechnya I do not see a single positive aspect, only errors. Aviation could not function because of the weather conditions, and using it meant random bombing. The surrounding and blockade of Groznyy is impossible with those forces and under those conditions. To support the statements of our political leadership by active actions meant committing a crime from the standpoint of sending unprepared people into battle. [end recording]

Semenov Holds News Conference on Developments

LD3001165595 Moscow ITAR-TASS in English 1602 GMT 30 Jan 95

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[FBIS Transcribed Text] Moscow January 30 TASS—Nikolay Semenov, newly-appointed head of the regional department of the federal executive bodies in the Chechen Republic, said on Monday that he is open for negotiations with "practically all political parties and movements which operate on the Chechen territory" including part of Dzhokhar Dudayev's entourage. However, he resolutely rejected any possibility of direct talks with Dudayev himself.

Speaking at his first news conference in the capacity of new federal coordinator on the Chechen crisis, Semenov admitted that his awareness of the Chechen developments is moderate so far. According to Semenov, his predecessor Nikolay Yegorov had only provided him with the information "of the most general character."

On Friday, President Boris Yeltsin stripped Yegorov of his duties of the federal administration head in the region on "health grounds." however, Yegorov retained his positions of vice-premier and nationalities minister, Semenov said.

Semenov may be well called an expert in the nationalities policy. In 70-80's, for ten years, he has been heading the city committee of the Communist Party in the Chechen capital of Groznyy. Later, he worked as a republican Communist Party boss in Kyrgyzstan and, from 1989 to 1991, headed a CPSU Central Committee's department in charge of the situation in the former Soviet republics of Central Asia.

"I have accepted (my new appointment) because I hope that my experience of work in national republics will help me to reduce political tension and organise the restoration of the national economy in the Chechen republic," Semenov told reporters today.

According to the new head of the federal administration in Chechnya, among his deputies will be Chechen Prime Minister Salambek Khadzhiyev, head of the provisional council Umar Avturkhanov, and former Groznyy's Mayor Beslan Gantimirov.

Semenov declined to comment on his relations with military, saying that although he "had been granted with full authority," he is in no way the commander-in-chief of the operation.

Semenov Looks To Restoring Industry in Chechnya

LD3001173895 Moscow INTERFAX in English 1619 GMT 30 Jan 95

[FBIS Transcribed Text] Moscow, Jan 30 (INTERFAX)—Specialists will travel to Chechnya on business trips in order to restore the Chechen industry and prepare facilities for further utilization as Chechnya has nearly no professional personnel, new Head of the Territorial Department of the Federal Executive Power in Chechnya Nikolay Semenov told a press conference in Moscow today.

Semenov said his friends working as experts in the energy industry in the Stavropol and Rostov regions had told him they were ready to work so.

Semenov said he had agreed to lead the Territorial Department of the Federal Executive Power in Chechnya as he could not turn down the proposal of Russian Premier Viktor Chernomyrdin and as he counted on his "many-year experience of work in national republics."

Semenov had been heading the Groznyy committee of the Soviet Communist Party during ten years until 1985. During the next four years he had worked as the Secretary of the Central Committee of the Kyrgyz Communist Party. Semenov replaced Nikolay Yegorov on the post of the Head of the Territorial Department of the Federal Executive Power in Chechnya. When asked about the future of Yegorov, Semenov said Yegorov remained the

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Russian Deputy Premier, the Minister for Nationalities and a representative of the Russian president in the region.

Semenov said he would have to cooperate with the power structures "within the scope of some military council" until military actions in Chechnya were over. When asked about his deputies, Semenov said they had been recommended to him by the Chechen Interim Council. He said he personally knew only one of them: Salambek Khadzhiyev.

Dudayev Says Headquarters Being Relocated To Mountains

LD3001172695 Moscow ITAR-TASS World Service in Russian 1633 GMT 30 Jan 95

[By ITAR-TASS correspondent Viktor Lebedev]

[FBIS Translated Text] Kuwait, 30 Jan—The collapse of Groznyy will mean a beginning rather than an end to the harsh and cruel war with Russia. We managed to plan this war "on a scientific basis". We are maintaining our forces for long-term operations. The mountains of Chechnya will become our main fortresses, Dzhokhar Dudayev said in an interview with the Kuwaiti Islamic weekly AL-YAQADAH (Awakening).

In an interview, which will be published on Friday, Dudayev said that his headquarters are currently being relocated as necessary. The Russian armed forces, he claimed, "will never be able to discover the location of our headquarters".

Dudayev said that he is maintaining constant links with Chechen communities in various countries of the world.

Government Press Statement on Situation

LD3001183995 Moscow ITAR-TASS World Service in Russian 1641 GMT 30 Jan 95

[FBIS Translated Text] Moscow, 30 Jan (ITAR-TASS)—ITAR-TASS today received a news report from the Russian Federation Government's press service as of 1800 Moscow time [1500 GMT]. It states:

"According to Defense Ministry data, the situation in Chechnya remains difficult. The most active combat action in Groznyy is being conducted near the university and the municipal park. The federal troops have seized the area along Kirov Prospect, north of the tram depot. During the past 24 hours, 12 guns and mortars have been destroyed, as well as two cars and two arms and ammunition dumps. Interior Ministry troops took operational measures to establish where bandit formations were stationed and to disarm them in the towns of Nikolayevskaya, Ishcherskaya, Assinovskaya, and Novyy Sharoy. The combing of Staropromyslovskiy District continued, resulting in around 60 percent of the area being cleared. Thirty- nine rifled weapons, seven armored personnel carriers and infantry fighting vehicles, and eight radio transmitters, including one with satellite link were seized.

The illegal armed formations are setting up storming detachments and special battalions to block off the advancing columns of federal troops and are preparing bases to carry out sabotage on the railways. One such base, for example, has been set up at the station of Naurskaya, 50 km from Groznyy.

The events in Chechnya have split the Chechen community abroad: Some are supporting Dudayev, seeing him as a hero, while others—mainly the intelligentsia—are treating Dudayev as the culprit, responsible for all the troubles that have befallen the Chechen people. At a meeting with representatives of Chechnya, a well-known Syrian journalist, Nadia Hut, accused the Chechen leadership of whipping up hostility between Muslims and Christians. A statement is being quoted in Syria today by a Jordanian parliamentary deputy, 'Abd-al-Kader Jammu, who said "Shamil helped to eliminate half of the Chechen people; Dudayev is helping to do the same to the rest."

According to a report by the Russian Ministry of Health and the Medical Industry, within the period of the conflict medical assistance was administered to 3,152 patients, including 1,006 wounded and 2,146 ill. Antilice and anti-scabetic preparations have been delivered to Mozdok. The vaccination of 2,335 refugees, adults and children, has been carried out. As of 30 January, 314 volunteer doctors have been registered to work in Chechnya.

OSCE Delegation Head Reports on Groznyy

LD3001183195 Budapest Kossuth Radio Network in Hungarian 1700 GMT 30 Jan 95

[FBIS Translated Excerpt] [Announcer] Ambassador Istvan Gyarmati, heading an OSCE [Organization for Security and Cooperation in Europe] fact-finding delegation which has toured Chechnya for the past few days, arrived for his news briefing held in the [Hungarian] Foreign Ministry building straight from Ferihegy Airport this afternoon. Istvan Kulcsar reports.

[Kulcsar] Ambassador Istvan Gyarmati's account, delivered in a diplomatic style and in a dispassionate tone aimed at rendering nothing but pure facts, has confirmed the horrible events which the world has learned from reports filed from Chechnya in recent weeks.

Groznyy's center is a pile of debris. There is not one undamaged building. The extent of ruins is greater than in Sarajevo and the scene may be best compared to photographs taken of Dresden after the bombing it suffered in the Second World War.

The military situation is unclear, Istvan Gyarmati said. There is no sign that military maneuvers have ended. The delegation saw with their own eyes as fighter planes

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and helicopters—armed with bombs—took off from the military airport of Mozdok near Groznyy and returned without their bombs. The number of victims, including civilians, is high.

There is no electricity or food in the capital of Chechnya. Dead bodies lie on the streets, unburied. An estimated 150,000 people are still in the cellars.

According to data obtained by the delegation, Russians have beaten up many Chechen captives, while the Chechens tortured and mutilated captured Russians and defiled their bodies.

The final conclusion is: The political aims set by the Russian authorities and the military means applied by them were not proportionate to each other. [passage omitted]

Artillery Attacks Continue on Groznyy, Outskirts

LD3001201695 Moscow INTERFAX in English 1850 GMT 30 Jan 95

[FBIS Transcribed Text] NAZRAN, Jan 30 (Interfax)—Artillery attacks on the Minutka Square in Groznyy and the Chernorechye Village in the outskirts of the Chechen capital have been continuing for the whole day today, an Interfax correspondent reports from Groznyy.

Local fighting involving federal troops and Chechen militants took place near the Khankala airport and the Baronov bridge across the Sunzha River in the center of Groznyy today. Chechen fighters said they were controlling the airport and the bridge across Sunzha.

The villages of Bamut and Achkhoy-Martan in 35 kilometers away from Groznyy were subjected to artillery fire from Grad launchers.

A post of Russian interior troops between the Sernovodsk and Samashki populated centers (about 30 kilometers away from Groznyy) was subjected to fire at around 14:00 today.

The Interfax correspondent reported that two KAMAZ trucks with humanitarian aid from Tatarstan had not managed to get to Achkhoy- Martan from Ingushetia. The drivers said they wouldn't move because of intensive fire.

Russians Block Sernovodsk, Demand Surrender of Weapons

LD3001205495 Moscow INTERFAX in English 1850 GMT 30 Jan 95

[FBIS Transcribed Text] MOSCOW, Jan 30 (Interfax)—Russian troops in Chechnya blocked the populated center of Sernovodsk on January 30, the press service of the Ingush permanent representation under the Russian president said today.

A group of Sernovodsk residents who arrived in Nazran today said that the command of military units blocking Sernovodsk demanded that the population hand in weapons, the same source said. The same source said that the command of Russian troops blocking Sernovodsk was planning to bomb the populated center in the next few hours but could not begin as a result of fog, revealed radio intercept.

The wounded are still delivered to Nazran from Chechnya. After the Goyty Village was bombed two wounded Goyty residents were received in the Ingush central republican hospital. The same source said that the wounded were also coming from the Sleptsovskaya Village and the town of Malgobek.

Fighting Continues Southwest, West of Groznyy

LD3001203795 Moscow ITAR-TASS World Service in Russian 1943 GMT 30 Jan 95

[By ITAR-TASS correspondent Ruslan Maysigov]

[FBIS Translated Text] Nazran, 30 Jan—The situation in Groznyy has not changed substantially over the past day. The sides are still taking up their previous positions and territory in the south-west of the city—Chernorechye, Aldi, as well as Minutka Square—is being shelled.

The village of Samanki, 40 km to the west of Groznyy, was shelled from a helicopter this afternoon. A column of Russian troops was shelled 1.5 km from this village later in the evening. According to preliminary data, there are casualties. There is just one road through the village of Samanki, along which refugees leave Groznyy and humanitarian cargo is brought in from Ingushetia.

Ensign Mikhail Mashchenko from Maykop was the latest prisoner of war to be released today thanks to mediation by Petr Kosov, a representative of the great troops of the Don, who is also an adviser to the president of Ingushetia. Kosov said that today another 10 mothers met their sons who are being held by armed formations in Chechnya. In an interview with the ITAR-TASS correspondent, Kosov reported that Chechnya is continuing to state that it is prepared to hand over the sons it is holding to each of the mothers.

Russian Officials Interviewed in Groznyy

LD3101000595 Budapest MTV Television Network in Hungarian 2020 GMT 30 Jan 95

[FBIS Translated Excerpt] [Announcer] Good evening. On 23 January you saw a report on Chechnya, and today Panorama reports from Groznyy again. My colleagues, Demeter Pogar and Gabor Torday wanted to show the reverse of the medal; however, the Russian military leadership did give permission to interview the soldiers. Our correspondents were allowed, however, to travel with the OSCE delegation, so were in a different situation. Here follows a report from the Russian side in Groznyy, Chechnya.

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[Begin recording] [Unidentified correspondent] The building behind me is the former palace of the Chechen president. It fell 11 days ago. The OSCE delegation arrived in Groznyy today [27 January]. According to Russian commanders, only two-thirds of the city is under the control of federal troops. Fighting continues for the rest of it. The end of the war is not in sight. [passage omitted]

The OSCE delegation, which arrived from Moscow, appreciated the Russian side's conduct, because it allowed the delegation to visit the conflict zone and also guaranteed its security. However, Foreign Minister Kozyrev said he regarded them only as a group and not a mission. Originally, Sergey Kovalev, the Russian president's human rights commissioner, was to accompany them; however, the top powers in Moscow did not want this.

[Correspondent, in Russian with superimposed translation into Hungarian] Why are not you allowed to go there?

[S. Kovalev, in Russian with superimposed translation into Hungarian] I do not know. They say there is no room in the airplane.

[Correspondent] Certainly not only for this reason?

[S. Kovalev] They do not really say why.

[Correspondent] What would be the conditions for you to travel there?

[S. Kovalev] The conditions laid down by an assistant to Justice Minister [Valentin] Kovalev, a namesake of mine, is that Defense Minister Pavel Sergeyevich Grachev should personally give permission for this. As you may understand, I did not go to him with this request. [end recording]

[Announcer] Why not? Let us see the reason for the sulkiness of the civil rights fighter. [passage omitted]

[Begin recording] [Correspondent] Sergey Kovalev, a former comrade in arms of Andrey Sakharov and the OCSE group parted company at the entrance of the (Tskolovo) military airport. However, another Kovalev, Russian Justice Minister Valentin Kovalev, in the capacity of the host, joined the delegation.

[Valentin Kovalev, in Russian with superimposed translation into Hungarian] The Chechen Republic is an integral part of the Russian Federation. Dudayev has destroyed the society. He deprived it of its future and he armed its people. That is to say, I consider everything that has happened here over the past two years to be entirely unconstitutional. The Russian Federation acts in accordance with our Constitution and international legal norms. There are unquestionable legal foundations for using military force to disarm unlawful armed units.

[Correspondent, in Russian with superimposed translation into Hungarian] Excuse me, as far as I know, Russian laws do not allow the Army's deployment in case of internal conflicts.

[V. Kovalev] No. I know Russian laws better.

[Correspondent] I should have thought it.

[V. Kovalev] First of all, we have a law on security. This empowers the president to coordinate the activity of police organizations and the armed forces. Secondly, there is a military doctrine, approved by a presidential decree, which lists the possible sources of internal military threat. Among them are listed the illegal military forces, for the disarmament of which the president can use all powers of the state, including military forces. The principle of the member states' territorial unity and integrity is laid down in several documents of the United Nations and the OCSE. This is an unquestionable priority which is a guiding principle in international law. In addition to this, international law condemns any forms of separatism. [end recording] [passage omitted]

[Begin recording] [Correspondent] General Anatoliy Kvashnin, federal troops commander in Chechnya from 21 December 1994, does not speak to the press. Therefore he cannot deny rumors in connection with the Army leadership. His subordinate, General Babichev [commander of the Pskov Airborne Division], who otherwise has the reputation of a humane soldier, complains about Moscow's negligence.

[Babichev, in Russian with superimposed Hungarian translation] It is an army—not a gang, not a gang of 10 to 12 people but a well-prepared army—that is fighting against us. An army that has been well prepared and equipped with the most modern weapons over the past two to three years. However, the question of who and with who's assistance it was done—well, the investigation of this is the task of those in charge.

Now we are engaged in solving problems that are not really military ones. As far as military questions are concerned, they can be solved. Primarily because we are not fighting against the people—as you know it is very difficult, or even impossible to fight against them. If it was the case, this action would last not just for a month but even for a year. The residents are in the cellars. About 150,000 people have found shelter in cellars. We must deal with them, by all means. They need medicine and food supplies. There is also a need for a migration service, which would decide who, by what means and how to ensure the removal of people from the city. For the time being, it is us who deal with these tasks, this is our burden, unfortunately.

I am very glad that at least your monitoring committee has reached us, for nobody from Moscow takes care of us. What is on the television in Moscow does not reflect reality. You, at least, have looked around here and could see it with your own eyes and checked what the state of affairs is really like here. [end recording] [passage omitted]

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Chechen Forces Reportedly Take Bridge, Oil Institute

LD3101100395 Moscow Radio Rossii Network in Russian 0900 GMT 31 Jan 95

[FBIS Translated Text] Russian troops this morning continued their shelling of areas of Groznyy controlled by Chechen formations, in particular Minutka Square, the area around the train station, and the suburban settlement of Chernorechye, INTERFAX was told by informed sources in the Ingush capital, Nazran. According to this source, after taking (Boronovksiy) Bridge over the River Sunzha Monday from Russian troops, Chechen subunits moved to the oil institute about one kilometer from the presidential palace, controlled by federal troops.

This morning fighting also resumed in the area around Groznyy's train station and near Khankala Airport on the eastern outskirts of the city, according to reports from Nazran. There is also intensive fighting on the approaches to the city of Argun and near the settlement of Samashka, 60 km west of Groznyy.

Interior Troops Report Chechen Use of Guerrilla Tactics

LD3101110295 Moscow ITAR-TASS in English 1031 GMT 31 Jan 95

[By ITAR-TASS correspondent Aleksandr Kharchenko]

[FBIS Transcribed Text] Mozdok January 31 TASS—Chechen militants have already switched to guerrilla war tactics, representatives of the command of the Russian interior troops told TASS on Tuesday.

They explained that the militants do not engage in direct clashes with federal troops, but prefer to fight in small groups consisting of a sniper, two-three men armed with submachine guns and a grenade launcher operator. Usually, the latter three drew fire on themselves to expose targets for sniper fire.

The command said Russian interior troops engaged four times in combat with Chechen militants on Monday. It gave no casualty figures. Over the past 24 hours the troops seized 28 armoured vehicles, one howitzer and over 16,000 shells.

"The interior troops continue to clean Groznyy of Dudayev's militants", the press service of the interior troops told TASS.

However, military sources in Mozdok where the Russian operation in Chechnya is orchestrated told TASS that Dudayev's militants constantly receive reinforcements. Fighters are recruited, in particular, from among 50,000 Chechen refugees who have found shelter in neighbouring Dagestan.

Duma Speaker Admits Mistakes Made

LD3101123895 Moscow ITAR-TASS World Service in Russian 1120 GMT 31 Jan 95

[By ITAR-TASS parliamentary correspondent Pavel Kuznetsov]

[FBIS Translated Text] Moscow, 31 Jan (ITAR-TASS)—The scale of military actions and vast destruction in Groznyy were caused by the fact that federal troops "came into contact with the most modern weapons" and "were forced to respond accordingly," said State Duma Speaker Ivan Rybkin speaking today at a meeting with Willy Wimmer, deputy chairman of the OSCE Parliamentary Assembly.

Responding to Wimmer's statement that Moscow's actions in Chechnya "may have an adverse effect on the schedule for Russia's membership in the Council of Europe," Rybkin said: When Grad launchers fire from the direction of federal troops, it is described as an act of inhumanity, but when the same Grad launchers are used by Dudayev's fighters "it is an entirely different matter".

Willy Wimmer asked why the Russian Federation leadership had "done nothing in Chechnya for more than three years." Ivan Rybkin agreed that after the Dudayev regime had come to power "the Russian Federation authorities failed to take the development of the situation in Chechnya seriously." The Russian Federation Government, Rybkin said, "took incomprehensible steps in regard to the illegal regime," and the federal troops left the locations where they were deployed in Chechnya, leaving half their weaponry on the territory of the republic.

"If the Council of Europe observers had been to Chechnya back in 1991, then events would most likely have developed according to a quite different scenario," Ivan Rybkin declared.

Chechen Minister Says Russia Not Interested in Compromise

LD3001224895 Moscow Russian Television Network in Russian 2000 GMT 30 Jan 95

[From the "Vesti" newscast]

[FBIS Translated Text] When blood is being shed and innocent people are dying, it is not prosecution but defense that should have the first word. Salman Arsanukayev, Chechen deputy procurator general, has arrived in Moscow with this mission precisely: to defend and save the Chechen and Russian peoples from suffering new losses.

[Begin Arsanukayev recording] Our delegation, as represented by the Supreme Council of Elders of the Chechen Republic headed by Yusup Adizov, had the sole aim and task of finding a compromise with the Russian leadership on suspending hostilities. After the hostilities are suspended there could be talk on further negotiations. We have pledged to work with peaceful civilians and field commanders. [end recording]

The delegation arrived almost a week ago.

[Begin Arsanukayev recording] We are carrying out our obligations but the Russian side is refusing to act accordingly and find a compromise, for we have not noticed any moves by the Russian leadership to stop the hostilities. [end recording]

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Unlike many of his colleagues, however, Salman Arsanukayev has not lost hope, he has not yet gone back. Whilst it is not difficult to vacate a room in the Rossiya Hotel, it is impossible for our two peoples to vacate their places in Russia.

Chechens Reportedly Capture Groznyy Airfield

LD3001210095 Moscow Russian Television Network in Russian 2000 GMT 30 Jan 95

[From the "Vesti" newscast]

[FBIS Translated Text] A EFE [expansion unknown] news agency correspondent reports from Khasavyurt, Dagestan, that throughout the day today federal troops have been attacking Groznyy's outskirts and central parts. According to the agency, Dudayev's supporters had seized Groznyy airfield by this evening. As night was approaching, the fierce artillery shelling of Argun, a settlement situated 25 km from the Chechen capital, started. At times, federal troops and Chechen fighters were separated by a strip of land only one kilometer wide. According to the information received in Khasavyurt, nine Russian servicemen died in the battle. According to the EFE agency, which quotes sources in the Dagestan Interior Ministry, two days ago federal troops bombed, allegedly by mistake, Dagestan's and Ingushetia's border settlements.

Maritime Kray Duma Holds First Session

954F1068B Vladivostok UTRO ROSSII in Russian 26 Jan 95 p 1

[Report by Yevgeniy Shaposhnik: "Congratulations to the Maritime Area Duma on Its First Day of Business!"]

[FBIS Translated Text] The first session of the Maritime Kray Duma was held yesterday. It is thus that this elective body, to which the people of the Maritime region have elected 31 deputies, whose authority also was officially confirmed yesterday, will officially be called henceforward. The first session of the Duma could perfectly well have been called a protocol session, at which all the simple items on the agenda were adopted amicably and swiftly.

Such a cornerstone item for the former soviet as the elections of the Duma chairman and his deputies was included. In accordance with the provisional statute on the Duma, V. Ignatenko, representative of the president, proposed for the position of chairman the candidacy of Deputy I. Lebedinets, listing his contributions to the kray. Deputy A. Aleksashkina confirmed the high qualities of the sole candidate for the key office, and it was decided to terminate debate at this point. As a result of the ballot I. Lebedinets was elected chairman of the Duma of Maritime Kray by 24 votes to four, and A. Prokorov was unanimously elected his deputy.

But this concerns the culmination of the first session; prior to this there had been a short speech by Ye. Nazdratenko, chief of the administration of the kray, who had been invited to the opening of the Duma, in which he expressed great hopes for the productive joint work of the administration and the Duma. Yevgeniy Ivanovich reported that the inhabitants of the kray link their last hopes of an improvement in their lives with the election of precisely this Duma. This is why representatives of political parties engaged in verbal blather did not make it to the Duma and why leaders and business managers involved in real business did.

As if in confirmation of the gubernatorial wishes, the deputies of the Maritime area Duma removed from the statute a clause permitting deputies of Russia to take part in sessions of the Maritime Kray Duma on a consultative basis. Obviously, the Russian members of parliament may now simply attend "without blather."

There is, it is true, one matter of dispute between the Duma and the administration. It concerns premises. The kray administration has simply been unable (for the time being?) to win back part of the premises from the Pacific Academy of Management and Business that are contemplated for the Duma, and the veteran deputy V. Vedernikov declared (prior to the election of the chairman, it is true) that the Duma would be housed on three floors of the White House, in the premises of the former kray soviet. As we know, however much our government officials have been reduced in force, there are no spare offices in the prestigious building, so the question of accommodations for the legislative body remains open. The head of the administration and his quondam deputy should settle this matter in the complete unanimity of the executive and the legislature. After all, as both agreed, the opposition in the kray is over.

Chechnya Seeks Recruits in Maritime Kray

954F1068A Vladivostok KRASNOYE ZNAMYA in Russian 26 Jan 95 p 1

[Unattributed report: "Attempts at Recruitment for Dudayev's Army Cut Short in the Kray"]

[FBIS Translated Text] **Several attempts to recruit inhabitants of the Maritime region for Dzhokhar Dudayev's armed formations have been cut short by the kray's law enforcement authorities. An ITAR-TASS correspondent was told of this by a well- informed source close to the Federal Counterintelligence Service authorities.**

The investigating authorities are not as yet divulging details concerning these facts but it is reported that the above-mentioned recruitment attempts occurred in Ussuriysk—the current center of revival in the Far East of the Russian Cossacks. At the same time, on the other hand, there have been no recorded instances as yet of recruitment in the Nakhodka free economic zone, where the majority of representatives of the Chechen diaspora in the Maritime area live. It is known that members of the diaspora, who, as a rule, have profitable and perfectly legal business in Nakhodka have right from the outset

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dissociated themselves from the conflict in Chechnya, declaring that they are law-abiding citizens of the Russian Federation.

Economic Issues

Duma Official Says Economic Policy Tied to Minimum Wage

LD3001213395 Moscow INTERFAX in English 1850 GMT 30 Jan 95

[FBIS Transcribed Text] Moscow, Jan 30 (INTERFAX)—Chairman of the State Duma Budget Committee Mikhail Zadornov told Interfax today that the further economic policy of the Russian leaders would depend on the Russian president possibly vetoing the law on raising the minimum wage.

Zadornov said the Federation Council was likely to approve the law on raising the minimum wage to 54,100 rubles. He said that, however, the heads of the regions were most likely to offer hard resistance to the decision on raising the minimum wage as the regional budgets would have to bear two thirds of additional expenses.

Zadornov said that if the Federation Council approved the law and the president did not veto it "we would be in a deadlock" as "neither the federal budget nor the local ones have such funds."

Duma Factions' Economic Alignments Seen

MM3101110095 Moscow SEGODNYA in Russian 28 Jan 95 p 3

[Article by Aleksey Kirpichnikov under the "Observations" rubric: "Portrait of Duma Against Background of Budget"]

[FBIS Translated Text] The indissoluble bloc of the proletariat and the kolkhoz peasantry, which has today taken on the shape of the alliance of the Communist and Agrarian Parties, has developed a noticeable crack at the level of State Duma economic policy. In fact, the crack appeared as long as a month ago—at the first reading of the 1995 draft budget drawn up by the conciliation commission.

At that time the Agrarians' leader Mikhail Lapshin asked Zyuganov's party to support the budget (with a 2-percent increase in value added tax, destined mainly for the agro-industrial complex): It "will offer the opportunity to prepare for the spring sowing," and the Communists must "make a choice—with the peasants or against the peasants." However, the ideologically close factions nonetheless failed to reach agreement: Gennadiy Zyuganov said that although the party supports the peasants, it cannot vote for the further destruction of the country's economic basis; while Mikhail Lapshin, while roundly condemning the regime, spoke of the need to accept the realities and of normal constitutional preparations for the change of power through elections.

The budget adopted at its second reading on Wednesday [25 January] markedly exacerbated the discord. Let me remind you that the document was approved at the second vote. At the first vote, "Russia's Choice," Zhirinovskiy's Liberal Democrats, the PRES [Party of Russian Unity and Accord] deputies, and the Women of Russia came out solidly in favor of it. Out of the Democratic Party faction, the "New Regional Policy" group, and deputies not belonging to factions, approximately half of the total number on the roll were "in favor." Lastly, the Communists, "Yabloko," and the Agrarians did not vote for the budget.

Then a 1.5-percent special tax was approved, which the Agrarians had wanted—and both they and the Communists voted for it. This—despite the coolness of the independent deputies and the PRES, and the continuing intransigence of "Yabloko" alone—ensured the adoption of the tax.

However, in the second vote on the draft budget the Communists aligned themselves with "Yabloko" again. But this time the Agrarians, who had gone over to the ranks of the document's supporters, were the final drop that tipped the Duma's scales in the second reading.

So the second reading produced the following distribution of forces in the lower chamber: At one extreme, those who want to adopt the budget—even with rather a wide variation in its quantitative indicators: "Russia's Choice," the LDPR-PZh [Liberal Democratic Party of Russia—Party of Zhirinovskiy], the PRES, and "Women of Russia"; slightly closer to the center—the Agrarians, who are willing to adopt the budget on condition they receive special financial arrangements; in the middle—the DPR [Democratic Party of Russia], "New Regional Policy," and the independents, of whom approximately half approve the budget. At the other extreme—"Yabloko," which votes against all the cabinet's economic proposals; and, slightly closer to the center—the Communists, who support the agrarian sector but cannot waive the principle of absolute rejection of the government's strategic plans.

[FBIS Translated Text] Among the group of "consenters," the PRES approves the budget because they are the only faction headed by a cabinet member. The "Women" accept the budget as the lesser evil, compared with its absence. "Russia's Choice" traditionally supports the executive. The LDPR-PZh voted for the budget both as the lesser evil, and on the strength of their approval of the same authorities' actions in Chechnya and of the government's going over to the rhetoric of the "march toward the Indian Ocean," and also in token of gratitude for the recognition of the party and its leader as a respectable party to political talks, agreements, and deals.

The factor of the leader's personality is important at all extremes of the Duma spectrum. "Yabloko's" absolute intransigence is manifested in the fact that the budget was not voted for even by its main drafters from the

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relevant Duma committee, who were evidently constrained by factional discipline. And this intransigence can be explained first and foremost by the ambitions and hopes of Grigoriy Yavlinskiy, who, first, is in a permanent state of grievance with the president, the government, his democratic colleagues, the Army, and everything else, and, second, like the LDPR-PZh leader, is already trying to work out which is the most suitable bridgehead from which to storm the president's post. It seems that at the moment the "Yabloko" leader sees the line of total dissociation from the existing power structures, whether in politics, economics, or war, as the best such bridgehead.

Half of the Duma's "middle" forces—the DPR, "New Regional Policy," and the independents—amounts to a total of 65-70 votes, that is, equivalent to two factions. Therefore, it is risky for the budget's supporters to "drain the Duma's marshy middle ground." Incidentally, the "half-and-half" division apparently occurs irrespective of the topic under discussion, provided it is suitably contentious.

The remaining two factions—the Communists and the Agrarians—occupy a "cautious," or rather, uncommitted, position: between the terra firma of the extremes and the marshy middle ground, but each on a different flank. The Communists could perhaps be called the only faction that retains ideological firmness. On the one hand, their leader's personal ambitions and grievances, compared with the up-front Mr. Yavlinskiy, are much less perceptible, and the faction members are prepared, on trivial matters that are not questions of principle, such as the special tax, to support the authorities more or less through clenched teeth, while at the same time shouting at the top of their voice about their support for the rural proletarians. On the other hand, on questions of principle the Communists will not compromise, and no amount of weeping and wailing about the approaching sowing season or the crisis of statehood—under the present head of state—will get through to them.

Lastly, the Agrarians are distinguished by the most practical stance: Since you can't eat up everything at once, you have to bite pieces off one by one—a stance derived from Mikhail Lapshin's definition of his comrades: "We peasants." And although Mr. Lapshin himself—an "agronomist, German language teacher, candidate of economic sciences, and president of a joint-stock company"—belongs, like the majority of his comrades in the faction, to rather a different social group, nonetheless a typically peasant—or rather, kulak—tight-fistedness and resourcefulness, or to put it in the new way, "good lobbyism," have become the Agrarians' dominant characteristics today.

In general, despite the aforementioned harping on "us peasants," the Agrarian Party's Duma faction is entirely in accordance with the traditional interpretation of its title in the Russian language, protecting the interests of big landowners and successfully combating the potential emergence of a "peasant party" by the surest method—preventing the emergence of any kind of social base for it, that is, the emergence of real—not merely paper—owners of agricultural land and equipment. The real force behind the Agrarians (even if it is not the force that is spoken of from the platform and in the party documents) gives rise to the need for political bargaining and gains, so that the latifundist base can see a return from its party superstructure.

In this connection the ideological intransigence of the Communist faction is understandable: Its supporters are welded together at best by an abstract idea and the party has failed to realize its founder's precept of instilling that idea into a mass movement—the idea has become well and truly threadbare and the movements are somehow going in the wrong direction now. In these conditions, adherence to principle is entirely explicable: Only purity of ideas and ranks (as in the case of Valentin Kovalev's expulsion from the faction for agreeing to become justice minister)—in the absence of the possibility of drawing on any significant social stratum—can today ensure the prolongation of the Communist Party's political existence.

All the above applies only to the economic area of the State Duma's activity. In the discussion or condemnation of other aspects that do not affect basic life-and-death interests, it is possible to see the most touching alliances between Communists, Agrarians, and Liberal Democrats on the one hand, and "Yabloko," "Russia's Choice," and "Women" on the other.

Director Announces 17 Coal Mines To Be Closed in 1995

LD3101111795 Moscow ITAR-TASS in English 1033 GMT 31 Jan 95

[By ITAR-TASS correspondent Igor Ivantsov]

[FBIS Transcribed Text] Moscow January 31 TASS—"Another 17 coal mines will be closed in Russia this year," Rosugol Director General Yuriy Malyshev told journalists. The closing down of those enterprises will take place within the framework of restructuring in the industry. According to Malyshev, one coal mine (Halmer-yu) was closed in 1994, and coal production was stopped at 15 mines, where monthly productivity of labour was 7 to 25 [metric] tonnes of coal per worker, while the average figure for the industry is 35 tonnes.

According to the Rosugol director general, the 1994 coal output was 261 million tonnes, which is 96 per cent of the planned target. He stressed that the industry had fully met its contractual commitments to consumers: 246 million tonnes of coal were delivered to them, which is a little more than the planned amount. Coal output went down by 11 per cent in 1994 as against 1993, and its deliveries to consumers were reduced by 10 per cent.

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Reactor at Leningradskaya Nuclear Plant Shut Down

LD3101113395 Moscow ITAR-TASS in English 1036 GMT 31 Jan 95

[FBIS Transcribed Text] Sosnovyy Bor January 31 TASS—The third reactor of the Leningradskaya nuclear power plant on the shore of the Bay of Finland near St. Petersburg was automatically shut down early on Tuesday after a faulty switch in one of the curcuits of turbogenerators.

TASS learned from the press service of the plant that the reactor with a load of 500 mwt was shut down at 06.17 moscow time (03.17 gmt). "The safety conditions at the nuclear plant were not violated", the press service said.

The radioactive situation at the plant and in the nearby town of Sosnovyy Bor did not change. The third reactor is undergoing maintenance work now.

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International Affairs

Kuchma Aide Cited on Ties With Russia

MM3001155195 Moscow ROSSIYSKAYA GAZETA in Russian 28 Jan 95 First Edition p 13

[Report by ITAR-TASS Correspondents Viktor Demidenko and Mikhail Melnik exclusively for ROSSIYSKAYA GAZETA from the "Economic Union" section: "No Signs of 'Imperialism'—First and Foremost, the Ukrainian State Is Interested in a Comprehensive Treaty of Friendship and Cooperation Between Ukraine and Russia, Ukrainian Presidential Staff Head Dmitro Tabachnyk Believes"]

[FBIS Translated Text] In Tabachnik's words, the aforementioned document will bolster Ukraine's image in the eyes of the world community, as well as stabilizing not only relations between the two countries but also the situation in Europe as a whole. In Dmitro Tabachnyk's view, Ukraine's territorial integrity, the inviolability of its borders, and a number of other important provisions will be reinforced by the treaty.

Let us recall that as far back as 5 December, in Budapest, in connection with Ukraine's accession to the Nuclear Non-Proliferation Treaty, Russian Federation President Boris Yeltsin signed a memorandum, which also discusses the confirmation of the inviolability of Ukraine's borders.

For Ukraine, relations with the Russian Federation always were, are, and will continue to be a priority. This idea was repeatedly stressed by Ukraine's First Vice Premier Yevheniy Marchuk, who heads the Ukrainian delegation at the talks on preparing a wide-ranging treaty with Russia. In his view, the Ukrainian side must apply maximum efforts so as constantly to strengthen the Ukrainian-Russian friendship, to deepen and broaden cooperation on a mutually advantageous basis.

And this is understandable. After all, not a single world power has to date offered Ukraine such tangible support as Russia, above all in the economic sphere. Suffice it to cite one example—energy sources. As we know, the supply of Turkmen gas to Ukraine was cut off. Had Russia followed this example, enterprises in the country would have ground to a halt once and for all, and apartments would not have been heated. Of course, the government believes that Ukraine cannot live on credit all the time. Already, it is very necessary to elaborate a mechanism which would open the way to seek out funds for settling accounts, above all with the "Gazprom" Russian Joint Stock Company. At the moment, the question of partially covering indebtedness by means of agricultural and industrial output is being studied. However, the government believes that this cannot erase the full severity of the problem. Unless Ukraine can develop direct links with its Russian partners, it will run into an impasse. At the same time, Russian enterprises, many of which were at one time "tied" to Ukrainian enterprises, are being forced to reorganize in favor of setting up their own integrated production cycle because of the insolvency of their colleagues from Ukraine.

Today, the reformist majority in Ukraine's Cabinet of Ministers believes that the treaty with Russia could have been signed long ago if the Ukrainian side had been willing to compromise, if it had conducted a more flexible policy.

Kuchma Relations With Russia Viewed

MM3101120195 Moscow KOMSOMOLSKAYA PRAVDA in Russian 31 Jan 95 p 2

[Report by correspondent Olga Musafirova: "'Obstinate' Leonid Kuchma Does Not Intend To Be Anyone's Deputy"]

[FBIS Translated Text] Kiev—You could not count how many stones were throne after the aircraft which on the morning of 24 January took Leonid Kuchma and his retinue to Moscow.... The status of the visit was defined only the day before: an unofficial working meeting. The purpose remained obscure. Consultations, talks, making positions clear....

In recent weeks it has become the rule to interpret at state level some of the president's statements. The advisers had not yet had time to explain to the people the meaning of "we must study the positive experience of Chile and General Pinochet" (a phrase uttered during his trip to Georgia) before there was a new riddle: "I am not too proud to go to Moscow...." The radical nationalists, of course, immediately accused the president of "dancing to the tune of the Kremlin bear stained with Chechen blood." All the others were hard put to it to find an answer. Why this step? Why instead of Yeltsin's visit to Kiev, put off a hundred times, to sign a wide-scale Russian-Ukrainian treaty, is something unofficial and consultative taking place in Moscow: Does Kuchma have no one to talk to at home? And does this initiative on the Ukrainian side not conceal some big overriding political mission? After all, back during the elections people from Kravchuk's team warned that the pro-Russian Kuchma was quite capable of dragging the country into a new Union!

The riddle proved to be a humdrum one. The government and above all Vitaliy Masol had, in the president's opinion, sabotaged the signing of the agreement on trade and economic cooperation in 1995. Usually such documents were backed by signatures a month or two before the end of the preceding year. The present situation has threatened to result in complex failure for Ukraine: Russia could halt the delivery of energy carriers on legal grounds. After the session of the Council of Regions, at which Leonid Danilovich acted in the familiar role of plant director, which the oblast leaders liked, he gathered together the "triangle"—himself, the premier, and the speaker—and stated: "Never mind, I'll do it all myself. But I shall investigate later." So it is possible that when

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this report is published in the newspaper the Ukrainian cabinet of ministers will already be headed by a new premier. Actually, Vitaliy Masol's stroke of the pen under the trade and economic agreement with Russia for 1995 remains valid.

Of course, the thrust of the matter is not that Boris Nikolayevich has taken Leonid Danilovich to task in a paternal way for his "obstinacy," calling him his "deputy"—has he confused him with his own people? ("Ostankino" did not show Kuchma's response. Ukrainian television, in revenge, "wiped" Yeltsin's rejoinder as well. So on the screen for about 90 seconds the presidents simply opened their mouths at each other....)

The day before the CIS leaders' next summit the trends in the developing of the CIS founding powers and Kazakhstan, which had joined them, became obvious. Russia was for integration, particularly in the military field, which under the conditions of domestic bloodshed does not require detailed comment. President Nazarbayev is using the idea of a Eurasian alliance to push forward Kazakhstan and himself personally to the same position as the Kremlin—the leading position. Belarus has had enough of its own currency, it simply wanted bread, and tiredly agreed "to be with you forever." And only Ukraine prefers cooperation with the full and unconditional conservation of its own state independence.

There is nothing nonsensical about that. In the very first months political scientists predicted to Leonid Kuchma that the very logic of his post as president would put him on a one-way street. Were Ukraine powerful and wealthy, any alliance would merely augment its power and wealth. But under present conditions such a luxury is inconceivable for the country.

I do not rule out the possibility that the Ukrainian president will soon be shown his place in the CIS lines. They may make him pay the oil debts in human dignity.... Two armies will strike from behind: The Communists, saying "Into the Union at once" and the nationalists—"Get Out of Russia!" The official interpreters of Leonid Danilovich's speeches will not remain without work either. Indeed, Kuchma usually acts as he sees fit and is not very concerned what people will think of him....

Official Comments on Border Agreement With Russia

LD3001145895 Moscow INTERFAX in English 1332 GMT 30 Jan 95

[FBIS Transcribed Text] Kiev, Jan 30 (INTERFAX-UKRAINE)—Ukraine will work to sign the agreement on border crossing posts with Russia in the near future, Commander of the Ukrainian Border Force Viktor Bannykh declared. He said the agreement, worked out four or five months ago, is very important and necessary.

The agreement lists border crossing posts on highways, railways and waterways. In their status they will be divided into international and bilateral. Under the agreement Russian and Ukrainian border and customs authorities will have the right to open new crossing points in keeping with concrete circumstances. Joint border and customs control is implied.

In an interview with Interfax-Ukraine Bannykh said the signing ceremony, scheduled for January 27, was postponed because the Russian side was technically unprepared. He believed the agreement would be signed within a month.

The commander stressed that there would be no such thing as transparent borders. "Under Ukrainian legislation there can only be a state border. Regulations on different sections can differ. The border with Russia should have very friendly regulations," he felt.

Bannykh said the demarcation process is at the stage of diplomatic negotiations. "We are trying to make the process more dynamic," he said.

While Ukraine regularly sends its observers to the council of commanders of CIS border forces, Bannykh spoke against his country's membership in a joint CIS border force. "For a number of reasons the concept cannot be accepted by Ukraine, it implies the formation of an extra-national joint command which contradicts our legislation," the commander stressed.

Canadian Province To Help Exploit Gold, Uranium Fields

WS3101115395 Lvov INFOBANK in English 0820 GMT 31 Jan 95

[From the "News Service" feature]

[FBIS Transcribed Text] The Ukrainian National Committee for Geology considered it expedient to accept the offer made by the Government of the Canadian province of Saskatchewan to cooperate in the development of Ukrainian sites of gold ores. The committee reported that in recent years, several gold ore sites were discovered in Ukraine and that these sites have geological conditions similar to those in Canada. However, these sites have not been explored, and the use of Canadian technologies for geological and economic evaluation of the Ukrainian uranium and gold ore sites would be very advantageous. At present, talks regarding the exploration of these sites by Canadians, with royalty rights for Ukraine, are under way.

Domestic Space Boosters To Launch U.S. Satellites

WS3001151195 Kiev INTELNEWS in English 1836 GMT 29 Jan 95

[FBIS Transcribed Text] The United States Department of Commerce approved the usage of Ukrainian-made space boosters for the U.S.-sponsored low orbit satellite

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telecommunications project, according to Ukrainian National Space Agency [UNSA] Director Andriy Zhalko-Tytarenko.

Ukraine will supply its Zenith space boosters to launch 24 out of 48 satellites, which are to be launched for the U.S. Global Star telecommunications project. Under the deal, Ukraine will get paid US$50 million, said Zhalko-Tytarenko, however, part of this money will be paid to Russia, which will provide its space launching sites.

The good news comes after UNSA officials criticized the 1995 state budget for insufficient governmental spending on space programs, which they say may jeopardize the future of the national space industry.

For 1995 the government projected expenditures for space programs to be less than 0.15 percent of all budget expenditures, which is only 10 percent of what is actually needed, according to Zhalko-Tytarenko. This is even less than had been spent in 1994—0.3 percent.

Insufficient expenditures "would seriously jeopardize the development of some of the programs," Zhalko-Tytarenko said. One of the projects, which may suffer due to insufficient funding is the so-called Okean project, which targets to launch the first Ukrainian-owned telecommunication satellite.

Okean—the satellite, whose launch had been initially planned for 1995 would collect the information about the earth worth annually from US$3 million to US$5 million. The satellite is supposed to be equipped with special radar to monitor the surface of the earth. "Having such information Ukraine could exchange it with Russia's space authorities," Zhalko-Tytarenko said, adding "Ukraine's space program is very pragmatic."

Meanwhile, any cuts in space program expenditures would automatically reduce domestic space research and development projects. To avoid such a scenario Ukrainian companies try to directly cooperate with foreign companies.

This strategy, however, puts Ukraine out of international consortiums in developing the space projects, since Ukraine does not actually pay for these projects, according to Zhalko-Tytarenko.

Although many Ukrainian companies will be involved in an ambitious Mir-Freedom spacelab project, sponsored by Russia and the United States, Ukraine will not be a full member of this program, since the government does not pay for it, said Zhalko-Tytarenko.

Ukrainian companies will act as contractors, and will be paid by the U.S. funding.

Among other space projects, which are to be in Ukraine's focus in the future is a telecommunications satellite known as Sich. This satellite is expected to hit the orbit in 1996 and is supposed to be launched by a modernized Zenith booster.

The UNSA is also improving an automatic control system for Cyclon—another Ukraine's space booster, as well as is trying to convert the SS-18 missiles for commercial use.

The UNSA is working on certification of Mriya 225—the world's largest aircraft designed in Ukraine. "If we got the international certificate we'll offer this aircraft on the world market for cargo deliveries," said Zhalko-Tytarenko.

Ukraine will use SS-24's—the USSR's most horrifying ICBM [intercontinental ballistic missile]—in its civilian space projects. "These missiles will be used in civilian programs, but their modernization will require some additional resources in comparison with SS-18's," Zhalko-Tytarenko said. "We cannot afford to scrap these missiles," he said.

Among long-future space projects Ukraine may send its astronaut to U.S. Space Shuttle. However, this program is not laid out yet, Zhalko-Tytarenko said.

Crimean President Agrees Cooperation With Chinese Province

LD3001200095 Kiev UNIAR in Ukrainian 1615 GMT 30 Jan 95

[FBIS Translated Text] Kiev, 30 Jan—A delegation from Crimea, led by the republic's President Yuriy Meshkov, visited the Chinese province of Hainan between 21 and 28 January at the invitation of Ruan Chongwu, the autonomous regional people's government leader.

The purpose of the visit was to study the progress of economic reforms in the province, which had been declared a special economic zone in 1988. President Meshkov held talks with provincial leaders on the twinning of the two regions which, according to the Crimean president, would benefit the development of economic cooperation under a special declaration signed by Ukraine and China in 1994.

The Crimean officials and the provincial leaders signed a memorandum on further development of friendly relations and cooperation between the autonomous republic of Crimea and the Hainan Province. According to the document, the sides pledge cooperation "on an equal and mutually beneficial basis in the spheres of economy, trade, culture, tourism, and health care."

At the end of the visit, the government of the province officially announced an aid package for the Crimean Republic of 1 million yuan (some $120,000) worth of consumer goods and foodstuffs.

National Affairs

Chernobyl Reactor To Be Restarted 1 Feb

LD3001180795 Moscow ITAR-TASS in English 1658 GMT 30 Jan 95

[By ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

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[FBIS Transcribed Text] Kiev January 30 TASS—Ukraine's infamous Chernobyl nuclear power plant suffered another malfunction late on Sunday [29 January] when a human error shut down one of the reactors.

The plant press centre said that the automatic shut-down system deactivated reactor No. 3 at 22:04 local time. Safety rules were not breached.

Plant Director Sergey Parashin told ITAR-TASS that the reactor is expected to resume operation on February 1 after maintenance work has been finished. The reactor stoppage has not affected the level of radioactivity at and around the plant, he added.

The construction of the Chernobyl nuclear power plant began in March 1970. Seven years later the first reactor was put into operation. The other three were commissioned in 1978, 1981 and 1983 respectively. The fifth and sixth reactors were scheduled to go on line in 1987-88.

However, they were never finished because of the largest ever nuclear accident that occurred at 1:25 on April 26, 1986 and came down in history as the world's worst nuclear inferno.

The core of one of its reactors melted and exploded, turning what had once been energy unit No. 4 into a heap of smoldering rubble and sending deadly clouds of radioactive fallout all across the western part of the Soviet Union and part of Europe.

All reactors were de-energised. Clean-up operations and work to bury the devastated reactor were launched. Six months later reactors No. 1 and 2 resumed operation to be joined by reactor No. 3 in December 1987.

However, that was not the end of troubles. On January 2, 1990 the power plant suffered a new accident, but this time there was no outburst of radioactivity. This was the last straw that prompted the Ukrainian parliament to adopt the decision in March 1990 to shut down the plant by 1995.

Masol, Crimean Leaders Discuss Problems of Tatars

AU3001212695 Kiev HOLOS UKRAYINY in Ukrainian 27 Jan 95 p 8

[Unattributed report: "Vitaliy Masol Shows Understanding of Crimean Tatars Problem"]

[FBIS Translated Text] O. Adamanov, head of the Crimean State Committee for Issues of Nationalities, and R. Kenzhe, deputy of the Crimean Supreme Council, have met with Ukraine's Prime Minister V. Masol. The difficult situation of the Crimean Tatars, who are returning to their homeland, and the need for state support for the repatriation process dominated their conversation. The Crimean State Committee for Issues of Nationalities turned to the Ukrainian Government with proposals to increase capital investment in the program for the return of deportees for 1995 to between 6.5 trillion and 7 trillion karbovantsi [K] (one and a half times last year's investment) and also to provide K500 billion in assistance with building materials for those who build their own houses.

Crimean Tatars Will Set Up 'Self-Defense Units'

LD3001202395 Moscow INTERFAX in English 1830 GMT 30 Jan 95

[FBIS Transcribed Text] Kiev, Jan 30 (INTERFAX-UKRAINE)—Crimean Tatars are being pushed to form their own self-defence units, leader of the Crimean Tatars National Movement Eredzep Khairitdinov said at a protest rally in Simferopol on Sunday [29 January].

He spoke of increasing incidents of extortion, lootings and even killings of Crimean Tatars and the authorities' failure to take action against the culprits.

More than 400 participants in the rally adopted a resolution warning that the movement would take strong action including the creation of self-defence units unless the government responds.

The formation of illegal paramilitary units is punishable under Ukraine's Criminal Code entailing from two to eight years in prison.

Decision on Status of Crimea Said 'Unacceptable'

LD3001145595 Moscow INTERFAX in English 1425 GMT 30 Jan 95

[FBIS Transcribed Text] Kiev, Jan 30 (INTERFAX - UKRAINE)—Any abrupt decisions on changing the status of Crimea are unacceptable, First Deputy Premier Yevgeniy Marchuk told Interfax - Ukraine on Monday [30 January].

He said the Supreme Soviet alone could take a decision to overhaul Crimean autonomy but "raising the question of abolishing autonomy without thinking of what the consequences would be - is incompetent."

Marchuk is opposed to any political decisions, Crimean autonomy included, "giving rise to far too many questions to which there are no answers and if there are any, these are unprofessional and linked with the use of force."

Many who have not been to Crimea and are unaware of the regional balance seem to believe the abolishing of autonomy is an obvious decision, Marchuk said. He said it would make no sense to take a decision leading to higher tensions in the peninsula.

Marchuk believes that the combination of conflict-prone elements existing in Crimea is not to be found anywhere in Europe. He said that Chechen the events demonstrate that no ambitions are worth the death of an innocent person or a child.

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Marchuk described as unacceptable any attempt to try to incorporate the question of economic relations between Moscow and Sevastopol in the text of an outline bilateral treaty, as suggested by Sevastopol Mayor Viktor Semenov. He said that any mention of the territorial issue in the treaty would set a bad precedent.

Marchuk, who is also Ukraine's chief negotiator in talks with Moscow, stressed that "Russia has never tried to get the Sevastopol issue included in the political treaty, at least while I have been tackling the problem."

Kuchma Sets Out Plan To Combat Crime

LD3001212095 Kiev UNIAN in Ukrainian 1830 GMT 30 Jan 95

[FBIS Transcribed Text] Kiev—"The attack on the fifth power has not achieved the desired result," President of Ukraine Leonid Kuchma said in a comment on the implementation of his decree on urgent measures to step up the fight against organized crime. He was speaking on 30th January at a meeting of the coordinating committee for combating corruption and organized crime.

He said that 83 per cent of those arrested were either first-time offenders or lone criminals. Organized crime remained outside the reach of law enforcement, he said.

A poll of 200 companies with foreign capital revealed that 55 per cent of their business was involved with the shadow economy, he said. According to President Kuchma, the Ministry of Foreign Economic Relations put the estimated total value of last year's export of goods at 624m US dollars, while the European Union estimate put the figure at about 1bn dollars.

The president outlined the following steps to intensify the anti- crime campaign. Firstly, law enforcement bodies are to be clearly informed about the scale of organized crime. For that purpose, Minister of Internal Affairs Volodymyr Radchenko and Chairman of Ukraine's Security Service Valeriy Malikov are to prepare relevant documents within two weeks on setting up their own analysis departments. Secondly, the forms and means of combating crime are to be reviewed. The general procurator of Ukraine, Volodymyr Datsyuk, is instructed to prepare documents on reorganizing operative investigation groups into a special bureau of investigations. Thirdly, the campaign against organized crime is to be stepped up locally. Fourthly, law enforcement bodies are to be purged of the criminal element, and Volodymyr Radchenko is instructed to prepare relevant documents by 15th February on staff replacement at the Ministry of Internal Affairs.

President Kuchma said that the coordinating committee would hold another meeting in a month to analyse the results achieved from the standpoint of officials' personal accountability at all levels.

After the meeting, the president met First Deputy Prime Minister Yevhen Marchuk and key cabinet ministers behind closed doors.

New Deputies Group To Be Formed in Parliament

LD3001141995 Kiev UNIAN in Ukrainian 0945 GMT 30 Jan 95

[FBIS Translated Text] Kiev [no date as received]—A new deputy group, "Independent Deputies" [Nezalezhni Deputaty], is being formed in Ukraine's Supreme Council. It proclaims the principles of constructivism and pragmatism in parliamentary work and unqualified respect for all political parties, movements, and groups. Volodymyr Semynozhenko, people's deputy and director of Kharkov's Institute of Monocrystals scientific and technical complex, who was one of the initiators of setting up the group, informed UNIAN of this.

On the whole, deputies of the "second wave" will be in the group, that is, those who were voted in to the Supreme Council in by- elections in July and August 1994. According to Volodymyr Semynozhenko, "to a great extent these people are pragmatists, and it is this that helped them to unite."

So far 23 deputies have signed the statement on setting up a parliamentary group, in particular, Valentyn Landyk, Valentyn Symonenko, Anatoliy Yukhymchuk, and Vadym Hetman. Consultations are being held regarding entry to the group with Ivan Plyushch, Yuliy Ioffe, and Anatoliy Dron.

"In the statement we did not say by chance that we are inviting deputies of no party affiliation and independent deputies to cooperate [with us]. We do not want party affiliation to weigh down on feelings of civic duty and responsibility to one's voters," Volodymyr Semynozhenko observed. He is convinced that because the deputies did not receive their seats from political organizations and voters have more confidence in a specific individual than in parties, the main principle of the deputies, who will belong to the "Independent Deputies" group, should be the principle: "voters' interests above all."

With regard to blocking [decisions] together with other groups and groupings, Volodymyr Semynozhenko believes that any blocking [of decisions] in parliament is "rather a destructive thing." However, he does not rule out consultations and cooperation on important issues.

Referendum Signature Collection Refuted

954F1066A Donetsk VECHERNIY DONETSK in Russian 25 Dec 94 p 1

[Article by V. Pozdnyshev under the rubric "Political Spectrum": "Communist Party Has No Purpose"]

[FBIS Translated Text] Ukrainian television and many from the mass media have disseminated information to the effect that the administration of the president of Ukraine gave instructions to the Ministry of Justice to analyze from a legal standpoint the circumstances for gathering signatures for conducting a referendum for the restoration of the USSR. As one can see from the report,

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this campaign was initiated by communists of Ukraine and other leftist forces. This was reported at a briefing of the head of the administration of the president, Dmitriy Tabachnik.

Our correspondent asked the first secretary of the Donetsk Oblast Committee of the Communist Party of Ukraine, G.V. Buyko, to comment on this report.

"The Communist Party of Ukraine officially has nothing to do with collecting these signatures," he said. "As one can see from our program we are in favor of a union of fraternal peoples, mainly the three Slavic republics—Ukraine, Belarus, and Russia. And above all we are in favor of economic and cultural cooperation and the restoration of kinship ties. There can be no question of a political union in this stage. In any case as long as Yeltsin's regime exists in Russia. If citizens of Ukraine had such an aspiration, we would be in favor of conducting a referendum within the framework of the laws of Ukraine."

The gathering of these signatures is being conducted on the initiative of individual socialists, communists, and other advocates of the Union. This collection has no consequences for the current power structures. At the same time the powers that be must understand one thing: The gathering of the signatures is a reaction from the population to the attempts on the part of the president and many deputies of the Supreme Council to ignore their pre-election programs.

Economic Issues

Kuchma Issues Edict on Entrepreneurial Activity

LD3001202695 Kiev Radio Ukraine World Service in Ukrainian 1700 GMT 30 Jan 95

[FBIS Translated Text] Ukrainian President Leonid Kuchma has signed an edict on financial-industrial groups in Ukraine. It says:

To assist the structural reform of Ukraine's economy, accelerate scientific and technical progress, improve the competitiveness of goods and use the advantages of international division of labor, and in accordance with Clause 7 of Article 114 of the Constitution of Ukraine, the president resolves that entrepreneurial activity in Ukraine can be organized in the form of financial-industrial groups. Until an appropriate decision is made concerning evaluation of fixed capital, financial-industrial groups are allowed to establish independent procedures for this year's indexation of fixed capital. They are to inform state tax inspectorate authorities of this within five days.

According to the edict, the Cabinet of Ministers is to submit a draft law on financial-industrial groups to the Supreme Council of Ukraine within one month. The edict, which comes into force on the day of issue, approves a regulation on financial-industrial groups in Ukraine.

Kuchma Attacks Shadow Economy

LD3001223195 Kiev UT-1 Television Network in Ukrainian 1900 GMT 30 Jan 95

[FBIS Translated Excerpt] The coordinating committee for combating corruption and organized crime met today to discuss ways of stepping up the anti-crime campaign. [passage omitted]

President Leonid Kuchma addressed the meeting.

[Begin Kuchma recording] Just look at the following facts. According to the National Bank, 94,000 billions [currency not given] circulate outside the banks. This is more than 40 percent of the total circulating capital in karbovantsi. Think about that! It is alarming that this share is growing every month. Nobody knows what kind of money it is, where it is kept and who it is owned by. This is one of the facts illustrating the spread of this kind of shadow economy. The money which circulates outside the banks serves as nontaxable trade turnover, you understand. This is a question for the head of the tax inspectorate. The above amount also proves the fact that the National Bank of Ukraine is unable to control the situation on the monetary market. The National Bank's stabilization measures can be disrupted at any moment. This is particularly dangerous in view of the forthcoming monetary reform. [end recording]

Inspection Detects 600 Firms Concealing Foreign Accounts

WS3101115195 Lvov INFOBANK in English 0820 GMT 31 Jan 95

[From the "News Service" feature]

[FBIS Transcribed Text] Anatoliy Bohdan, director of the Currency Inspection of the Main State Taxation Service, reported that this Ukrainian institution and the similar U.S. agency reached an agreement, in line with which they will exchange information about Ukrainian citizens who have U.S. bank accounts. Bohdan said that six million USD and nine billion Russian rubles were returned to Ukraine in 1994. However, he considers this sum very inconsequential. In 1994, only 64 percent of the 450,000 enterprises and companies functioning in Ukraine submitted declarations on the availability or absence of hard currency funds or properties abroad. Some 4,965 enterprises claimed that they have currency funds and/or properties outside Ukraine, or receive hard- currency profits earned abroad, totalling 1.5 billion USD, 284 million DM [German marks], and 1.9 trillion Russian rubles. Some 70 percent of these sums are debts for export transactions. Thirty seven million USD, 5 million DM and 8 billion Russian rubles are deposited in foreign accounts; another 29 million USD, 2 million DM, and 13 billion Russian rubles are deposited in the form of investments.

A financial inspection conducted by the State Taxation Service discovered that 600 enterprises which have currency funds totalling 52.4 million USD, 500,000 DM,

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and 12.1 billion Russian rubles outside Ukraine, tried to conceal this fact from the Ukrainian State Taxation Service. Thirty four Ukrainian enterprises opened currency accounts abroad without the necessary permission from the National Bank of Ukraine. At present, 1.6 million USD, 3.5 million DM, and 11 billion Russian rubles are deposited in these accounts. Results of this inspection were submitted to legislative organs.

Dollar Tariffs Established for Piping Russian Oil

WS3101115395 Lvov INFOBANK in English 0820 GMT 31 Jan 95

[From the "News Service" feature]

[FBIS Transcribed Text] Russia will pay from 2.35 to 4.90 USD per tonne for the piping of Russian oil through different branches of the oil pipeline DRUZHBA ("Friendship"), which runs via Ukraine. This information was given to INFOBANK by Stepan Yaloveha, head of the Press Service of the Ukrainian National Committee for Oil, Gas, and Oil-Refining Industry. These tariffs include payment for the use and diagnostics of oil pipelines, as well as their repair and renovation. Tariffs for the services of the main oil pipelines for piping exported Russian oil via the territory of Ukraine will be determined and paid in U.S. dollars. Yaloveha added that earlier these payments were partially made in Russian rubles and partially in U.S. dollars. This caused permanent financial losses for Ukraine due to the inflation of the Russian currency. Rates for piping are similar for all Russian users of oil pipelines of the Ukrainian system.

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Belarus

Documents Signed Developing Ties To Russia, Kazakhstan

WS3101113295 Minsk Radio Minsk Network in Belarusian 0800 GMT 31 Jan 95

[FBIS Translated Text] Head of the Russian Federation Government Viktor Chernomyrdin, Belarusian Prime Minister Chyhir and Kazakh Prime Minister Kazhegeldin signed four joint documents in Moscow. They had reached an agreement about coordinated measures to carry out economic reform. The prime ministers signed a memorandum about the participation of other interested states in the tripartite union, as well as a protocol and a program for expanding and developing mutual cooperation.

Lukashenka Praises Relations With Russia

LD3001172195 Moscow Russian Television Network in Russian 1200 GMT 30 Jan 95

[FBIS Translated Excerpt] The recent signing of a customs memorandum by Russia, Belarus, and Kazakhstan is a an important landmark in cooperation between them. In an interview to a a "Business Russia" special correspondent, Belarusian President Alyaksandr Lukashenka gave his view on that union and also on the prospects for Russian-Belarusian relations on the whole.

[Begin Lukashenka recording] Since I'm talking to your television, I would like to take the opportunity to say to the Russian people that we have always been true to the friendship between Belarusians and Russians. There are no forces today which are capable of scattering us in different directions.

I would like to say also that our relations today, especially my policy as president, is not built on the same base as it used to be. [Passage omitted] This proves that we haven't attached ourselves to Russia just to get something from it. No! We are fraternal peoples. Our links cannot be severed. We will always be together, and I will say even more - in all spheres - not just in the economy but in politics, too, and in military respects. There is no other way out for us.

I said today that if anyone thinks that peace is absolutely stable and that we can feel ourselves absolutely confident of that peace, I am not of that opinion. I think that we have quite a few problems - especially in connection with the expansion of NATO - it is cause for very great concern for us and I think it is for the Russians, too, judging from the speech by Yeltsin at that conference in Budapest. Therefore, we are with the Russians. They are with us. [Passage omitted]

It's a good thing that we are united first of all in a customs' union, that we have signed a whole host of treaties. Today our people have freedom of movement from one state to another. In resolving economic problems, universal problems, we will arrive at a closer union. But there's no need to cook up political intrigue and speak of a federation or a confederation. If we achieve that, then all good and well! If we don't achieve a union, we'll achieve closer political relations thanks to the people, to resolving economic problems, universal problems.

I want to wish our fraternal Russian people and my own people patience. Things are not easy for us today but I have to say that we have got too used to frightening our people. Our prospects are fine. We don't have to kowtow to anyone. If we establish integrating links we will get out ourselves very quickly out of that crisis, if I may call it that although I'm not inclined to call it that.

We have everything! We have a clever and talented people. We have the know-how, the territory, the raw materials, the resources and splendid enterprises. Therefore I wish my fraternal Russian people happiness and success in cooperation between our peoples. [end recording]

Lawmakers Attend Russia's Duma Session

WS3001151395 Minsk BELAPAN in English 0700 GMT 30 Jan 95

[FBIS Transcribed Text] A Belarusian parliamentary delegation headed by the deputy chairman of the Supreme Soviet Vyachaslaw Kuznetsow held a press conference on the results of its visit to Moscow where the delegation had attended parliamentary hearings on Belarusian-Russian relations at the State Duma of Russia. Aside from MP's Henadz Kazlow, Syarhey Navumchyk, and Father Vitaliy Radamyslski, as well as representatives of the Presidential Administration Pyotr Kapitula and Alyaksandar Sazonaw, the Russian State Duma had also invited Natalya Masherawa, editor in chief of the NOVAYA NARODNAYA GAZETA newspaper, and the chairman of the Council of the Slavic Assembly "Belaya Rus" Mikalay Syarheyew, who are known for their pro-Russian views.

The hearings were dedicated to the preparation of a package of Belarusian-Russian agreements for the signing by the presidents of Russia and Belarus in the course of Boris Yeltsin's visit to Minsk. The date of the visit still remains indefinite. These documents are also to be considered during the visit by Chairman of the Russian State Duma Ivan Rybkin scheduled for the beginning of February.

Some Russian parliamentarians spoke in favor not only of the complete unification of the monetary systems but also of the denouncement of the Byelavezhskaya Pushcha agreements. "However, that was the position of some deputies," Pyotr Kapitula, chief of the analytical center at the Presidential Administration, stressed. He pointed out that one should not consider all the eight agreements that were signed on January 6 as separate

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documents. "This would be a great mistake because they are integral parts of the whole." Besides, when analyzing the package of Belarusian-Russian agreements, in his opinion, one should take into account to what extent they are economically beneficial for Belarus.

Alyaksandr Sazonaw, adviser to the president, expressed his anxiety about the lack of unity in the positions of the Belarusian MP's who had attended the hearings. In his opinion, this is evidence of "using the rostrum of the Russian State Duma in the struggle for power, and, perhaps, against the president." The coordinator of the parliamentary faction of the Belarusian Popular Front Syarhey Navumchyk adheres to the contrary opinion: "Divergences within the group of MP's not given official powers allowed not to charge Russia with imperial aspirations, but to conduct a constructive dialogue." Syarhey Navumchyk declared that the subsequent development of Belarusian-Russian relations will depend on the situation in the Chechen Republic.

Henadz Kazlow, keeping to the pro-Russian policy of former Premier Vyacheslaw Kebich, expressed his discontent with Russia's policy as regards relations with Belarus. According to him, Russia repeatedly took decisions which were at odds with the Belarusian- Russian agreements.

All the participants in the press conference agreed that after the trip to Moscow they had "more questions than answers."

Lukashenka Regrets Western Denial of Credits

LD3001205095 Moscow INTERFAX in English 1948 GMT 30 Jan 95

[From the "Presidential Bulletin" feature No 18]

[FBIS Transcribed Text] Belarus is unlikely to receive a credit from the International Monetary Fund, President Alyaksandr Lukashenka has said. He was speaking at the collegium of the Interior Ministry in Minsk on Monday [30 January].

President Lukashenka said the West denied Belarus credits not because the country failed to carry out economic reforms, but because somebody did not like the Belarusian leadership's policy of close cooperation with Russia. "Isn't that intervention in the internal affairs of a sovereign state?" President Lukashenka asked.

He recalled that Belarus owed the world community $2.5 billion and was expected to pay $160 million this year.

The IMF said it was reluctant to extend the credit to Belarus because it refused to liberalize the prices of communal services. President Lukashenka said that if the government had accepted the creditors' demand, "the tenants of two-room apartments would have to pay 774 thousand Belarusian rubles a month, and those of three-room apartments, 1 million 200 thousand, whereas the average wage in the country was about 250 rubles (about $20). That kind of market approach is suicidal", Lukashenka said.

President Lukashenka said that the country's population simply could not afford to buy many foodstuffs, and food supplies were rotting in stores.

About ways of stabilizing the national currency Lukashenka said that the most effective means of all was not the favorable balance in trade with other countries last year ($400 million), or the fact that no additional amounts of cash were issued in circulation, but sweeping measures against certain persons acting on the exchanges and in commercial structures and banks.

"If the banks fail to take a constructive position in the interests of the state in the near future, force and other authoritarian measures (through the Interior Ministry and the KGB - IF) would be used against them," Lukashenka said. He put a great part of the blame for the current situation on parliament, where "up to 90 percent of deputies are on the payroll of commercial structures and safeguard the interests of those structures in the legislature".

President Lukashenka said he was certain that by the end of the spring the government would stabilize the national currency, prices and the economic situation in general. Lukashenka said by that time there would be no need to purchase great amounts of expensive fuels, 50% of which are used to heat homes. President Lukashenka said that the saved money would be used to finance stabilization measures and pay the debt.

CIS, German Delegations at Chemical Ban Seminar

WS3101113695 Minsk Radio Minsk Network in Belarusian 0800 GMT 31 Jan 95

[FBIS Translated Text] A regional seminar was held in Minsk at the level of governments and chemical enterprises, which was a preparation for the implementation of the convention on banning chemical arms. The seminar was organized by the Belarusian Foreign Ministry and was attended by delegations from Armenia, Belarus, Kazakhstan, Moldova, Russia, Ukraine, Lithuania, Turkmenistan, Germany, as well as by CIS Secretariat officials and the preparatory commission of the Organization for Banning Chemical Arms. On 7 February, Belarusian Foreign Ministers Uladzimir Syanko is to meet the preparatory commission's Executive Secretary Jan (Kongen).

Controversial MP Attends Trade Union Mass Protest Rally

WS3001104995 Minsk BELAPAN in English 1718 GMT 26 Jan 95

[FBIS Transcribed Text] On January 26, at 3.30 pm. a mass meeting of protest, which was arranged by the

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Federation of Trade Unions of Belarus (FTUB) and backed up by practically all trade union organizations in the country, began on Freedom Square in Minsk. According to preliminary data, the meeting was attended by over 20 thousand people representing industrial enterprises throughout the capital city, as well as from Rogachev, Zhodino and other towns. Encouraging telegrams were received from international trade union organizations, trade union federations of the CIS member states. The rally began by an address of the FTUB Chairman Vladimir Goncharik. He informed at the President's administration he had been recommended to abolish this mass meeting but he had refused to do so because "people must be heard." He declared that the demands the trade unions had made were clear and realisable. In his opinion, the chief thing is to create such conditions for work in towns and in the countryside that people may produce goods and buy them." And for this it is essential to introduce a favourable tax system. Representatives of various branches of industry, culture, agrarian sector mounted the truck used as a rostrum. They cited a lot of facts indicating the disastrous state of not some groups of people, but the whole nation, chronical "deafness" and "double-dyed bureaucratism" of the powers that be [sentence as received]. They spoke about the necessity of consolidation of working people for championing their rights. The meeting was evidence of the fact that this consolidation was becoming a reality because people of not only different professions but also different political views took part in the mass meeting. The banners included both the white-red-white flags and the red hammer-and sickle ones.

MP Sergei Antonchyk, known for his active participation in the famous anti-Soviet rallies and mass strikes in April 1991, and his recent much-talked-of anticorruption report, also appeared at the meeting. He demanded the government's resignation. The meeting ended in approving a resolution urging the government to stop the impoverishment of working masses, raise the minimum monthly wage to 25 percent of the subsistence minimum at least, ensure the parity of prices on agricultural and industrial produce, prevent mass unemployment. In case of failure to comply with these demands, the representatives of industrial enterprises expressed their readiness to go on a nationwide preventive strike.

According to information received, on January 26, analogous rallies of protest took place in all industrial centres of Belarus.

Moldova

Moldova Praises CIS Role in Dniester Conflict

LD3101084895 Moscow ITAR-TASS in English 0814 GMT 31 Jan 95

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[FBIS Transcribed Text] Chisinau] January 31 TASS—Moldovan parliament speaker Pyotr Luchinskiy praised assistance of the Interparliamentary Assembly (IPA) of the Commonwealth of Independent States rendered to the republic in settling the Dniester conflict.

The speaker summed up the results of an IPA-sponsored international seminar on the Dniester problem which was held on the Aland Islands in Finland last week. The seminar was attended by legislators from Moldova and the Dniester region (which sought independence from Moldova).

Moldova received and receives assistance in settling the Dniester problem from many countries and international organisations, including the Organisation for Security and Cooperation in Europe (OSCE), Russia, Romania, etc.

"The Interparliamentary Assembly is precisely an organ which cannot be accused of biasness," Luchinskiy stressed.

"Without taking any mandatory decisions and instructions, the assembly creates, at the same time, conditions for a dialogue between the conflicting sides and familiarises them with experience of other states which successfully resolved the problem of local self-rule and avoided violence in removing separatist trends," the speaker said.

The graphic example is the experience of Aland Islands enjoying autonomy with broad rights within Finland. Luchinskiy also expressed hope that the IPA-sponsored seminar would give a new impetus to talks between Tiraspol (Tiraspol is the capital of the self-proclaimed breakaway Dniester Republic) and Chisinau in hammering out a bill on a special status of the Dniester region.

"The leaders of Moldova and the Dniester region will meet on February 15 to examine a draft status of the Dniester area, which was compiled by Moldovan and Dniester experts with mediation from an OSCE mission as well as Vladlen Vasev, a special representative of the Russian president," Luchinskiy continued.

"Part of this draft is based on proposals from the Moldovan side, the other part—on proposals from the Dniester side. There are points on which the sides have not found a compromise so far.

"However, the main thing is that Chisinau and Tiraspol came to agreement that the Dniester problem can be settled peacefully within a single Moldova," Luchinskiy concluded.

Premier Sets Out Economic Policy

LD3001205995 Moscow INTERFAX in English 1950 GMT 30 Jan 95

[From the "Presidential Bulletin" feature No 18]

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[FBIS Transcribed Text] Prime Minister Andrey Sangheli said one of the ways to stabilize the Moldovan economy was large-scale foreign investment.

"What we have is a heavy legacy of social and political instability in the country, a not very civilized 'divorce' among the republics of the former Soviet Union and the consequent severance of traditional economic ties," Sangheli said in an exclusive interview with Interfax during the opening of a Moldovan-Israeli venture to make equipment for smaller factories. "But now we are open for mutually beneficial cooperation with all countries," he said.

The premier said the social, political and "ethnic" situation in Moldova was considerably stabilized last year after the republic's parliament had ratified its membership in the Commonwealth of Independent States (CIS) and in the CIS economic union, a law had come out to give a special status to regions populated by the Gagauz, one of the country's ethnic minorities, Chisinau had talks with the Transdniestrian leadership, and various measures had been taken to integrate with the rest of the CIS, join international bodies and sign various international documents.

On the other hand, the way some of the bilateral and multilateral accords signed within the Commonwealth are being implemented "leaves much to be desired," Sangheli complained. CIS governments have not been persistent enough in enforcing such agreements, nor have the CIS Secretariat or intergovernmental commissions shown enough activity. Economic reintegration is too slow, he said. Creating joint ventures with Russian, Ukrainian or Belarusian companies would be a good form of economic cooperation for Moldova, but the republic is not making full use of it, he said.

Commenting on Moldova's economy, the prime minister said the government had taken a number of measures to provide financial support for industrial and agricultural enterprises, give them easy- term loans and tax concessions. More than 300 draft laws went into parliament last year designed to regulate economic reforms and other areas of the country's life. In addition, the government issued 407 directives. Privatization gained in scale and became irreversible, the premier said.

At the same time, "obsolete methods" are still in use in many economic sectors, he said. New principles for economic management have not yet been properly introduced, and analytical work done by economic administration bodies is unsatisfactory. "Against the general background of the economic reforms, the positive changes and obvious shortcomings are reflected in the results of the social and economic development of the republic in 1994," Sangheli said. "Not all the failures can be explained by natural calamities that happened last year. Very much depends on organizational activity, persistence and professionalism," he added.

In the latter half of the year production decline somewhat slowed down, but it proved impossible to sustain the trend, Sangheli continued. The result was that gross domestic product last year was 31 percent down on 1993. The reasons were a fall in agricultural production as a whole, the erratic work of industry, and complete or partial idleness of some enterprises in the engineering, and woodworking industries and in light industry. Many of the problems come from lack of organizational initiative and even irresponsibility on the part of managers, the premier said. IF Note: Industrial production of food seriously went down last year. The output of other consumer goods rose to only 55 percent of 1993's level. The output of the engineering industry dropped by 37 percent, that of the construction materials industry by 42 percent, and that of the timber and woodworking industries by half. Of a total of 121 types of commodities used in statistical analysis, the 1993 output level was not reached on 113.

Sangheli said that, early last October, there were signs of "a weak invigoration" in industry, compared to the same period in 1993, which gave him reasons to hope that it heralded some progress. But statistics suggest, he said, that industrial output will keep sliding in the first quarter of 1995. Whereas in some of the manufacturing industries there are objective causes for that, in the rest the reason is simply that managers lack "organizational abilities."

The government has worked out a program to stabilize the social and economic situation and make the economy more socially-oriented, Sangheli said. He said the government would be working in three principal areas:

First, it would try to consolidate Moldova's political and economic sovereignty, pursue a constructive foreign policy and "well-balanced" domestic policy, based on law and aimed to protect citizens' rights and freedoms.

Second, it would seek to normalize the economy, - which must be a single nationwide system, - by accelerating reforms and restoring old ties.

Third, it would try to raise the population's living standards both by enabling every individual to earn his and his family's welfare by honest work and by concrete state assistance to poorer strata, preserving free medical assistance and education, and developing of science and culture.

Sangheli said the government would do its best to stabilize the economy in 1995 and ensure an increase in production and a substantial improvement in the population's living standards in 1996-97.

Ministry Appeals for Credits To Buy Grain

MM3001135095 Moscow RABOCHAYA TRIBUNA in Russian 27 Jan 95 p 4

[Unattributed report: "Moldova Intends To Buy Grain From United States..."]

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[FBIS Translated Text] Chisinau—Moldova is experiencing an acute shortage of grain for public-sector livestock farming. The Ministry of Agriculture and Food has appealed to the republic leadership urgently to allocate credits of nearly $9 million for grain purchases abroad.

Last summer the republic suffered drought, flooding, and a hurricane.

In order to replenish stocks of grain for food purposes it is proposed to buy it from the United States. Last year the Americans grainted Moldova long-term credit for this purpose, amounting to $10 million.

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Kazakhstan

Nazabayev Invites Japan To Join Ministerial Meeting

OW3101052295 Tokyo MAINICHI SHIMBUN in Japanese 29 Jan 95 Morning Edition p 7

[Article by Chosei Taniguchi]

[FBIS Translated Text] Brussels, 27 Jan—Kazakh President Nursultan Nazarbayev recently granted an exclusive interview to MAINICHI SHIMBUN in Brussels. In the interview, he said: "I am preparing to convene a foreign ministerial conference of 27 countries including Russia and China at the end of this summer to discuss measures to build confidence across Asia." The name of the meeting is "The Conference on Mutual Actions and Measures To Build Confidence in Asia." The president called for Japan's participation in the conference.

President Nazarbayev stated: "If we establish a conference, such as the Organization on Security and Cooperation in Europe (OSCE), in Asia (east of the Ural Mountains) and have it cooperate with the OSCE, it will become possible to establish a system for stability in all of Eurasia." He added: "Among the 27 countries which have shown their intention to attend the conference are Russia, China, Turkey, Pakistan, Iran, India, and central Asian nations. The venue for the conference has not yet been decided. To my regret, Japan is not scheduled to attend at the meeting." The president said: "Japan plays an important role. When I met with Japanese Government leaders during my visit to Japan in April 1994, I proposed that Japan participate in the conference. However, there are views in Japan that Asian nations are too diversified to set up a union." He thus hinted that the Japanese Government had indicated its unwillingness to attend the conference. He again called for Japan's participation, saying that "nothing will start unless a first step is taken."

The president visited Brussels to sign a "partnership cooperation treaty" between the European Union (EU) and Kazakhstan, and to exchange views with NATO.

Nazarbayev Favors CIS Economic Integration

LD3001190695 Moscow INTERFAX in English 1717 GMT 30 Jan 95

[FBIS Transcribed Text] Davos (Switzerland), Jan 30 (INTERFAX)—President of Kazakhstan, Nursultan Nazarbayev confirmed his plans to promote the economic integration of the former Soviet republics. He expressed hope during a press conference in the Swiss city of Davos during the World Economic Forum that the CIS summit would be held in Almaty on February 10 and that it would not be postponed again.

"We are ready to discuss bilateral projects for creating more favorable conditions for cooperation, and also broader political agreements," said Nazarbayev. He also confirmed his proposal on concluding a peace and accord pact within the CIS. Such a document might be a panacea of future bloodshed, he noted.

He said he was disappointed with the position of Russia which, he said, should be the initiator of stronger integration in the former Soviet Union. "I'm surprised that many of my proposals on broadening economic contacts have not even been discussed," he said. He pointed out that his republic would make further effort to create a payment union with Russia by establishing correspondence relations between Kazakh and Russian banks, and by establishing joint financial institutions.

He said that "the creation of a single currency in the CIS is no longer possible."

Agreement Signed With Belgium to Build Power Stations

LD3101101295

[FBIS Editorial report] Almaty Kazakhstan Television Network in Russian 1500 GMT on 30 January, in its newscast, broadcasts a brief report that a Belgian firm is to build two power stations in west Kazakhstan. The announcer says that the agreement was signed in Almaty on 30 January by the Kazakh deputy prime minister and by the vice president of the Belgian company, named as the Tractable Group.

The first project, in Atyrau, will be a combined-type station running on gas with a capacity of 150 megawatts, the announcer says, adding that the second station will be built in Akmola and will be a coal-fired station of a similar type to the first one, but with an additional capacity of 200-300 megawatts. The Belgians are also to lay some new power lines.

The report concludes by noting that the agreement represents a further development of an earlier agreement which Tractable signed with the Kazakh power ministry on 29 August 1994.

Tajikistan Seeks Entry in New Customs Union

LD3101092595 Almaty Kazakhstan Television Network in Russian 1500 GMT 30 Jan 95

[FBIS Translated Text] The press service of the Kazakh Cabinet Ministers reports that Prime Minister Akezhan Kazhegeldin received a Tajik Government delegation led by Prime Minister Jamshed Karimov today.

[Begin unidentified correspondent recording] A wide range of issues relating to bilateral relations was discussed during the talks. During the meeting the procedures for Tajikistan to pay off its debts to Kazakhstan were outlined.

Following the talks an agreement on principles for trade and economic cooperation was signed, as was a protocol noting Tajikistan's announcement of its intention to

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enter the trilateral customs union of Russia, Kazakhstan, and Belarus. [end recording]

After the documents were signed the Tajik delegates laid flowers at the monument to Dinmukhammed Akmedovich Kunayev [Kazakh Communist Party leader 1962-86].

Economist on Overcoming Production Slump

954F1053A Almaty KAZAKHSTANSKAYA PRAVDA in Russian 25 Jan 95 p 3

[Interview with Academician Tuymebay Ashimbayev, member of the National Academy of Sciences, by Anatoliy Shevelev; place and date not given: "The Main Thing in Surmounting the Slump Is Assistance to the Commodity Producers"]

[FBIS Translated Text] **The continuing decline in production has become a kind of indicator of our living standard. The more profound it is, the poorer the people. And, naturally, we are all worried by the question of how to re-engage the thoroughly unbalanced mechanism of the state's industry. A KAZTAG correspondent asked one of the republic's most authoritative economists, T.A. Ashimbayev, member of the National Academy of Sciences, to answer it.**

Theoretically, the answer here is simple, Tuymebay Ashimbayevich believes. In order to unblock production and launch it at full speed the corresponding supply and demand, which are the core of market relations, are needed. But at the present time these most important conditions of normal production activity are practically absent inasmuch as the enterprises are experiencing a most acute crisis, and their initiative and work are fettered by a multitude of inauspicious factors. Whence the low level of supply. But the demand for products has been limited also on account of the turmoil in pricing on the one hand and the holdups in the payment of wages on the other.

From the very start of the reform the government adopted a policy of the development of enterprise and small business. And this was correct. But in supporting them we should not have forgotten about works constituting the basis of the republic's economic potential also. They, in the opinion of the official reformers, have to survive independently.

Such logic appeared at first sight convincing. Since private enterprise would develop, it was expected that a revitalization of the production of commodities would begin and that competition would emerge, whence saturation of the market with the necessary products and sundry positive changes were discerned. But small and medium- sized business with us engaged in easier and more profitable pursuits—the purchase and sale of commodities. Having failed to spot this trend in time, the government created a fund for the support of entrepreneurs. These resources were scattered to the wind—they were given out without sufficient justification, and the bulk of them were not invested in production. That is, elementary supervision was lacking.

Nor do we have specific results in the development of small enterprises oriented toward the manufacture of products in strong demand. With the austere financial policy, many of them have collapsed. The Butya commercial company and its ilk have been distinguished by stability of operation, it is true. But it is obvious that none of them is operating without the sponsorship of some influential persons.

As far as the state-run enterprises are concerned, the majority of them are currently in a most serious situation. Even giants like the Karaganda Foundry and the Sarbay Mining-Concentrating Works, 15 major works altogether, have fetched up on the list of possible bankrupt enterprises.

There was a widely held opinion, and many people still adhere to it currently also: Let us conduct bankruptcy proceedings at them—it will be easier for the economy. I consider this a facile approach. Especially since the state also involuntarily contributed to many enterprises becoming insolvent. Take the system of taxation, which is already deemed by everyone to be ill-considered. Was it only through the fault of the enterprises that their working assets and the monies of their depreciation fund were devalued?

True, the reckless attitude toward bankruptcy as a condition of emergence from the crisis has as of late, with the advent of the new government of experienced industrial operatives, been reconsidered, it would seem. From the statements of members of the Cabinet of Ministers we may make the judgment that it does not intend to oversimplify the insolvency problem and will make use of all possibilities to preserve production potential.

State-run enterprises were and remain the principal commodity producers, and revitalizing their work is the No. 1 task. And the government now finally intends to embark on the solution of a long- urgent question—the creation of financial and industrial groups, which will include, together with production operatives, entrepreneurs and businessmen also. Granted all the difficulties with finances, the state simply must help the enterprises overcome the working assets crisis. Then their solvency will rise and production will begin its forward progression.

The second thing that needs to be done is to start accelerated depreciation, having preliminarily revalued the fixed assets. Enterprises must have funds to overcome the wear and tear of production equipment. It is then necessary to switch to more flexible taxation, depending on how seriously the commodity producers set about the manufacture of output. It is a question of a stimulation of their activity primarily by preferential taxation, but not only this. Such an approach needs to be employed at the time of the allocation of low-interest credit also.

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Enterprises will undoubtedly have a heightened interest in an increase in the manufacture of products if the question of their sale is analyzed. This is very important and merits attention and assistance on the part of the government. If, however, it opts for a different position and says: "Produce the goods yourselves and sell them yourselves," the resuscitation of production could be undone.

In my view, the orientation of the Cabinet of Ministers toward the closer integration of the economic systems of Kazakhstan and the Russian Federation and the use of the investments of this and other countries of the CIS is most correct. The need for such steps is dictated by the actual specifics of our economy, which in the times of the USSR occupied a particular niche in the division of labor within it. And the fact that this work has been neglected is one further big minus in the implementation of reforms by the S. Tereshchenko government.

All forms of economic cooperation—joint ventures, financial and industrial groups, and so forth—should be welcomed.

[Shevelev] But this, evidently, is only part of the measures necessary for unblocking production, although an important one, of course. At what else, in your opinion, should the activity of the Cabinet of Ministers be targeted?

[Ashimbayev] It would be good to embark in earnest on the replacement of fixed capital. The situation here is such that only some of our enterprises participating in foreign trade activity have an opportunity to invest resources in this sphere.

And the structural reorganization of production also is, as is we know, connected to some extent with the replacement of capital. We say: There are no sales. And this means that the products are not in demand. We need to help to sell them, that is, contribute to a renewal of the product mix and the manufacture only of marketable goods. Really good products will find customers both within the republic and outside. It is this that will contribute to a revitalization of production.

But it is necessary first, for all that, to halt its decline and then to stabilize it. Which, however, by no means signifies that we must not make investments at all. And this could happen. With an inflation level of 1 or 2 percent, to which we aspire, production would not receive money—is already not receiving it. In nine months of last year investments with us declined 68 percent compared with the same period of the preceding year. The state is not investing funds in a replacement of fixed assets, fearing inflation. But this position is wrong and harmful—we will break up production completely this way.

If the government is unwilling to lend an ear to our scholars, it should know that their colleagues overseas say the same thing also. For each percentage reduction in inflation, scholars of the Moscow Economico-Mathematical Models Institute show, for example, that society has to pay with a 3-5 percent decline in production.

Mild inflation is not to be feared. Investments are made in enterprises in many countries even with this, but in the hope of deriving rapid returns from the invested funds. This is what we should do also, relying primarily on our own resources. It would be good to use foreign loans for this purpose also, of course. But they are hard to obtain. The director of the World Bank visited Kazakhstan recently and promised to grant the republic a loan of the order of $1 billion. But for this the assent of the members of the Paris Club is needed in addition. How is this to be obtained?

We should not wait for manna from Heaven. What can be done today to update the economy and for which we have sufficient money, should be done. If, figuratively speaking, we lay the foundation on the important new construction site this year, next year we will be putting a roof over our heads and purchasing equipment.

In order for us to have more money in the budget I once proposed that the shadow economy be converted into an open economy. I received no response to my proposal. There are already many wealthy people in the republic, we need to recognize their capital and create for them favorable conditions for the investment of funds in production. An appeal also by the country's president to the owners of private capital could contribute to this, I believe. I am convinced that government regulation of pricing and price control are needed. It was considered, and is still considered, that the market would regulate and tune itself. This is a mistake. It can tune itself only with the assistance of government adjustments, which are essential for the creation of the appropriate conditions. We, however, were totally reluctant to interfere in the freedom of market relations, afraid of damaging them. And as a result we have come to the point of chaos, and the turmoil in pricing is hard to describe.

With a balanced price policy we would be doing no harm to the market and we would necessarily derive benefits. We had only to make changes to the prices for the use of electric power—to lower them with regard to its basic cost by region—and this immediately had a positive effect on the activity of many enterprises, of nonferrous metallurgy specifically.

This is the case throughout the world. One-fifth of prices are regulated in China, for example. Strict laws regulating monopolism and competition have been adopted in the United States. With us, however, prices are raised by everyone and his brother, by just about every store salesman even.

It is well known what great damage to production is being done by economic crimes and corruption. And this is not surprising inasmuch as a genuine fight against

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crime is frequently merely declared, and the legal authorities and the procuracy are demonstrating their impotence.

For a revitalization of the economy it is essential also to expand the role and rights of the regions. They should display independence in almost everything. Only then will the long-promoted slogan concerning their self-financing begin to operate.

[Shevelev] Appearing in the news media, a number of deputies of the Supreme Council are predicting a further decline in society's living standard. Could you characterize the present social situation of various strata of the republic's population?

[Ashimbayev] I am a scientist, not a populist, and cannot paint some radiant prospects of society's development under the conditions of an intensification of the economic crisis. Production of the gross social product declined 35 percent in nine months of 1994 compared with the same period of the preceding year, national income declined 30 percent, and the volume of industrial production, 29 percent.

We know also of great hidden unemployment in industry and unconcealed unemployment in the countryside, where even those in work have not been paid for months, and the sole "currency" is livestock, which is exchanged for a pittance for soap, cigarettes, and sugar. The majority of families here are barely making ends meet. It is hardly worthwhile using specific data here: Sociological research is conducted on the initiative of individuals or organizations just occasionally. In Russia, incidentally, this has been organized on an expansive basis, and the crisis situation is not concealed.

How about in Kazakhstan? The situation here is even worse. Prices with us are growing four times faster than in Russia, and personal income is lower than for its neighbors.

[Shevelev] What awaits us, then? Will the production slump go on for long? Could you, Tuymebay Ashimbayevich, relying on the work of scientists, not create an approximate model of our society's development for the immediate future?

[Ashimbayev] I personally would be interested in this. But such a model could under USSR conditions only be created indirectly, in comparison with the Russian Federation. A well-known economist, A. Livshits, who works on President Boris Yeltsin's staff, substantiates the possibility of the prevention of the decline in production by the year 2000. Then, in his opinion, an 3 or 4 percent a year—will begin.

Is such a model of economic development possible in Kazakhstan? I would not have ventured to maintain this under the previous government. The prospect of a halt to the decline in production was not discerned at all and went beyond the year 2000. But the actions of the new cabinet are promising. I concede, therefore, that, if it works productively, we also could halt the decline in production in 1998. The opinion has even been expressed in the press that this will happen before the end of the present year. This would be good, but it is, unfortunately, unrealistic. Many complex problems, about which we have already spoken, need to be resolved first.

[Shevelev] Almost all the countries that are now prosperous also formerly experienced a most severe economic crisis. Are we taking advantage of their experience?

[Ashimbayev] Our crisis is unique. It is largely the result of the noncomprehensive development in the past of the republics of the former USSR, which, following its disintegration and the formation in the post-Soviet space of independent states, could not have failed to have led to economic paralysis. Account also needs to be taken here of the fact that there has also been a change of social and economic system. No developed country experienced such colossal difficulties in its development.

As far as the crises are concerned, they have occurred even in so powerful a production state as Japan. In 1945 its economy was on the verge of total devastation. But thanks to intensive structural reorganization, an acceleration of scientific and technological progress, an improvement of management at all levels, the high quality and efficiency of the organization of labor, and an ability to take advantage of the experience of other countries, it achieved annually, from 1946 through 1970, a 10 percent production growth. And even at the time of the sharp increase in the price of oil Japan was able to reduce its dependence on imports of it as a result of new and rapid structural reorganization once again.

China now has a high rate of production increase. It has broken into the American market, having supplied high-quality goods at lower prices compared with its competitors.

And how do we look in terms of the state of the economy compared with the CIS countries? From January through September of last year the gross net material product with us declined, as we have already said, compared with the same period of the previous year by 32 percent, in Uzbekistan, only 3 percent, in Russia, 16 percent, in Ukraine, 18 percent, in Azerbaijan, 21 percent, in Kyrgyzstan, 23 percent, and in Belarus, 24 percent. So we are among the "leaders" here. Armenia, on the other hand, even achieved an increase in output of 0.9 percent.

[Shevelev] What assessment do you make of the opposition, which is demanding not a change of government but a change of course of the country's development?

[Ashimbayev] We have no serious opposition, in my view. You are evidently referring to the populist statements of the leaders of individual opposition currents. Yes, their speeches are very eye- catching at times, but very unspecific.

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The opposition has not, it seems to me, found its place in society. Its proposals concerning the development of the economy are unconstructive and unfounded, and the people that are members of it do not have a good idea of the situation in the economy, at the enterprises, or in the regions.

I would like to say this also. I am inclined to believe that everyone has already understood that there is no alternative to market relations and that there can be no return to the old ways.

The main thing for us in the present difficult economic situation is not to despair but to keep our spirits up and fight for our survival in civilized fashion. That is, to work harder and better.

Practical, resourceful, and active people have always enjoyed better fortune. Any society has always put the emphasis on these best human qualities. Active people are noticed and promoted, and entrepreneurs are invited in. Such was and remains the vital force of man the citizen that is called for in all times. In ours particularly.

Tajikistan

Report on Foreign Minister's CIS Talks in Moscow

LD3101114995 Dushanbe Radio Tajikistan Network in Tajik 0500 GMT 31 Jan 95

[FBIS Translated Text] During his visit to Moscow to participate in the CIS Foreign Ministers' Council, Tajikistan's Foreign Minister Talbak Nazarov met with the foreign ministers of several countries and with Tajiks resident in Moscow.

A KHOVAR news agency correspondent was told by the information department of the Foreign Ministry that Talbak Nazarov had a friendly conversation in Moscow with Prince Karim Aga Khan IV, the leader of the world's Ismailis. The Tajik foreign minister expressed his gratitude to [the Aga Khan] for his humanitarian assistance to the residents of Badakhshan. Both sides discussed issues relating to the further development of relations and cooperation.

The Aga Khan said he intends to visit Tajikistan this year.

Fifteen issues related to various aspects of developing CIS integration were touched on at the CIS Council of Foreign Ministers in Moscow. A KHOVAR news agency correspondent was told by the information department of the Tajik Foreign Ministry that a resolution was adopted which expands the powers of the commander of the collective peace-keeping forces in Tajikistan. This resolution will be considered on 10 February at a regular session of the council of CIS heads of state in Almaty.

The foreign ministers supported draft agreements on CIS border troops guarding the borders and an agreement on cooperation in guarding CIS members' borders, which will also be submitted for consideration by the CIS heads of state.

Foreign Muslim-Ismailis Leader Aga-Khan IV in Moscow

LD3001141795 Dushanbe Radio Tajikistan Network in Russian 1000 GMT 30 Jan 95

[FBIS Translated Text] During his visit to Moscow, Talbak Nazarov, the minister of foreign affairs of the Republic of Tajikistan, has met the Prince Karim Aga-Khan IV, the leader of the world Muslim-Ismailis. [sentence indistinct]

A range of issues relating to further rendering assistance to the inhabitants of Gornyy Badakhshan Autonomous Region together with Aga-Khan fund, and (?further fruitful) cooperation between Tajikistan and the structures led by the Prince Aga-Khan IV, were discussed at the meeting of the minister of foreign affairs of Tajikistan and the Prince Aga-Khan IV.

An issue relating to the possible visit of the Prince Aga-Khan IV to Tajikistan this year was also discussed.

This was a report from the department of information of the ministry of foreign affairs of Tajikistan.

President, Opposition Vow To Extend Cease-Fire

LD3101085695 Moscow Voice of Russia World Service in English 0800 GMT 31 Jan 95

[FBIS Transcribed Text] President Emomali Rakhmanov of Tajikistan informed the United Nations that his Republic decided to unconditionally and indefinitely extend the cease-fire on the Tajik border. It was concluded on 17 September last year. The cease-fire is expiring on 6 February.

The leaders of the Tajik opposition, also in an address to the United Nations, said they were prepared to extend the cease-fire till 6 March for the duration of the holy month of Ramadan.

This has been reported by Joe Sills, official spokesman of the United Nations secretary general

Comment: Party Leader 'Toy' in Russia's Hands

LD3001185495 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 30 Jan 95

[FBIS Translated Excerpt] Well, in such a difficult political and economic situation, when Tajikistan is already a colony of foreigners and this puppet government is ruled by strangers, Shodmon Yusuf, one of the former leaders of the opposition coalition forces and the chairman of the Democratic Party, decided to cooperate with the government. In other words he expressed the hope that this government will help him and cooperate with him.

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This week Yusuf returned to Moscow to continue his political activity. Well, as you know we broadcast news and commentaries on this subject during our previous programs. Once again we will remind you of the most important points.

As is known, after the defeat [in 1992], all the opposition forces, including all the parties and people's movements, united and formed coalition forces of the Islamic Rebirth Party of Tajikistan. This is the third year since the coalition Islamic Rebirth Party, consisting of members of the Islamic Rebirth Party, the Democratic Party, and Rastokhez people's movement, and other small parties and associations of Tajikistan are struggling against Rakhmanov's regime. [passage omitted]

Yusuf recognizes Rakhmanov's victory at the presidential elections and is even going to take part in the parliamentary election, which is scheduled to be held in February. He also appealed to other opposition leaders to take part in this election. His only wish from the regime was to postpone the election.

However, as we know the Islamic Rebirth Party of Tajikistan—that means the coalition forces that have not lost their power—does not recognize any kind of election in the present situation when the armed regime is in office and there is no freedom of conscience and press. Hence, the opposition did not recognize the results of the presidential elections that were held illegally and undemocratically, and which brought Rakhmanov to power.

As we know Rakhmanov has already formed his government and so far he has not suggested any position to Yusuf, though the latter expressed his "good" opinion on cooperation with the regime before the presidential elections.

In this context we would like to stress that Yusuf's position is not the position of the Democratic Party. The former members of the Democratic Party who have served with the coalition forces are still serving with the coalition forces.

Following Yusuf's statement, which was broadcast on BBC radio, the presidium of the Democratic Party met in Almaty and held its congress, at which Yusuf's statement was condemned, and the activity of Yusuf as the chairman of the party was suspended for the next six months. Professor Abdunabi Sattorov, the deputy chairman of the Democratic Party was elected chairman of the party at the congress. A decision was also adopted that in six months time a regular congress of the party will be held and a new chairman of the party will be elected.

As we see, Yusuf has left the opposition and as we know the Democratic Party did not support him. His only hope is Rakhmanov. Currently, Yusuf is in Moscow waiting for some news from Dushanbe. [passage omitted]

[Unidentified correspondent] In this context, I would like to add only one thing, and that is Shodmon Yusuf is a toy in the hands of the Russian politicians, and even Yusuf himself recognized this in one of his interviews with an ITAR-TASS news agency correspondent. In his interview he pointed out that after talks and meetings with the political and military authorities in Russia he would like to return to Tajikistan and cooperate with the regime. This means that the former chairman of the Democratic Party is acting only due to the protection of the military and political authorities of Russia.

Uzbekistan

IMF Official Comments on First Loan

LD2801065995 Tashkent Uzbekistan Television in Russian 1400 GMT 27 Jan 95

The International Monetary Fund [IMF] has granted Uzbekistan a first loan worth $74 million. On this occasion, a news conference was held in the republic's National Bank.

[Unidentified correspondent] The loan was granted within the framework of the mechanism of systematic transformations with the aim of supporting the government's program of macroeconomic stabilization and systematic reforms for this year. Representatives of the media of Uzbekistan and neighboring countries were invited to the news conference. Bakhtiar Hamidov, Uzbek deputy prime minister and finance minister, chaired the meeting.

Fayzullo Mullajonov, chairman of the Board of the National Bank; Mr. Parvez Hasan, head of the regional office of the World Bank for Reconstruction and Development in Uzbekistan; and Mr. Istvan Szalkai, IMF permanent representative in our republic answered questions put by journalists. The loan, worth $74 million, will be directed toward the further privatization of small- and medium- enterprises, the development of enterprises, and an increase in production volumes. And in addition, in the agricultural sector, by the middle of the year 25 percent of all irrigated lands will be leased to private farms, and this figure is to increase to 40 percent by the end of the year.

[Begin Szalkai recording, in Russian translation] This loan is an important event in the life of Uzbekistan. The prestige of your republic in the international community is growing from day to day. I think this money will help reduce the inflation rate and will stabilize the som, and from now on we will think about the second stage of the loan. [end recording]

Karimov Previews Economic Forum, Departs for Davos

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[FBIS Translated Text] On 27 January, Uzbek President Islam Karimov went to the Swiss city of Davos to take part in the work of the traditional forum of world economists. Our correspondent Ghofurjon Jamolov has a report. Ghofurjon, please.

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[Jamolov] Thank you. Hello, dear radio listeners. It is well known that the heads of certain states in the world, their leaders as well as prominent and major businessmen, politicians, and economists, have been gathering in the Swiss city of Davos since 1971 to discuss issues such as mutual cooperation, assisting countries in need, and also vital problems of the day.

The members of the delegation, headed by President Karimov, will take part this year for the fourth time in this international forum.

At Tashkent airport, the head of state answered questions we journalists asked and, in particular, he said the following:

[Begin recording] [Karimov] The main purpose of this forum, if we link it to Uzbekistan, is to determine policy toward the newly founded states and, in general, to define the trends of economic policy in the world: where it is moving, what kind of negative problems are taking shape. In general, it is to define the direction of this movement. This is the first task. By taking this into account, if there is the opportunity, it is to affect the process positively in an agreed way—that is, to find a framework for world economic policy and, I repeat again, to affect this policy.

One more point in the second task is that during a gathering there will be, for sure, meetings. All kinds of agreements will be signed between countries and major companies that are in need of each other and have mutual interests. For example, countries and companies that are greatly interested in our country will have this opportunity, and we have the same opportunities. Our task here is once more to meet countries and companies that will allocate us very big investments and one again define our relations with them and draw up agreements. So, if you ask me, my main task is to attract more investment to Uzbekistan and to start mutually advantageous relations.

If we speak about the third task, this forum currently is not only an economic one, but it has turned into a political one because the leaders of more than 30 countries will gather in Davos. We already have information and requests. The Canadian foreign minister, the German president, Mrs. Tansu Ciller from Turkey, and leaders from France and other countries have expressed their wish to meet with the Uzbek leadership. Here I want to point out that not only economic issues will be considered but the most vital problems in the world too. I will stress this once more. My personal opinion is that we must take advantage of such meetings. Because when so many people, leaders, and politicians who influence world policy are gathered in one place, we should—if we want to reach the world level and the world market, if we want to affect world policy—we should find our place in this forum. Having participated in this forum for three or four years, we have gotten to know certain countries. To some extent, we have found our own place. That is why I think that this trip is relevant to the above tasks, will help to implement them, and will allow Uzbekistan's interests to be protected.

[Jamolov] Islam Abduganiyevich, this is the fourth time you are participating in this international forum. In what way do such meetings contribute to the development of our country? Will you comment on their advantages?

[Karimov] You always show visits on television, saying that a certain person has arrived from Switzerland, Germany, Japan, and from other countries, and you show the leaders of major companies who come here. One of the reasons for coming to our country is the result of such meetings as in Davos and similar meetings and from my visits to other countries. This is one reason and a result. So that is why, if you want to ask about results, then currently you cannot estimate them in terms of money or with precise figures. In general, we must increase our authority and make Uzbekistan known in the world.

There is a slight misinterpretation taking shape in Uzbekistan currently. They say that the whole world knows us after three years of independence. No, it will take us a long period of hard work to become known in the world, to show our capabilities and establish relations of equal rights. At this time, it is not right to be giddy with success. We must ignore opinions that hold that we should neglect other countries. They say that we have now became strong and capable. No, it is by establishing relations with others that we have opened the doors to our country. [end recording]

[Jamolov] Erkin Khalilov, acting chairman of the Supreme Council of our republic, Prime Minister Abdulkhasim Mutalov, First Deputy Prime Minister Ismail Jurabekov, Timur Alimov and Bakhtiar Ghulomov, the president's state advisers, Foreign Affairs Minister Abdulaziz Komilov, Qozim Tulyaganov, head of the Tashkent city administration, and other officials saw President Islam Karimov off at Tashkent airport.

Election Commission Reports New Parliament Formed

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[FBIS Transcribed Text] Tashkent, Jan 27 (INTERFAX)—The formation of the Oliy Mazhlis (parliament) consisting of 250 parliamentarians has been completed in Uzbekistan, the Uzbek Central Election Commission said today.

The Central Election Commission summed up the results of by- elections to parliament which took place on January 22 in seven constituencies, where none of the candidates had managed to canvass the majority of votes. Parliamentarians were elected in all these constituencies during the by-elections.

The Central Election Commission said that 69 parliamentarians had been elected from the People's Democratic Party (the largest Uzbek political organization), 14 from the Vatan Tarakkieti Party and 167 from local representative power bodies.

The Central Election Commission decided to call the first session of the Oily Mazhlis in Tashkent on February 23.

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